

MISSISSIPPI

Allie Mack Coker, Brookhaven.
Wiley Lee Williamson, Collins.
Jake R. Van Devender, Gholson.
James B. Johnston, Shubuta.
Carl H. Parker, Sumrall.
Minnie L. Logan, Tinsley.

MISSOURI

Robert E. Hock, Fort Leonard Wood.
Wilma M. Henneke, Leslie.
Davis L. Owen, Moberly.
Joseph A. Wallenburn, Otterville.
James W. Buzzard, Seneca.

MONTANA

Stephen Sams, Joliet.
George W. Duffy, Whitefish.

NEBRASKA

Bernard A. Boots, Ashby.
Earnest A. Moxham, Chester.
Dale B. Morrill, Creighton.
Lowell L. Saunders, Dixon.
Albert W. Watsek, Humboldt.
Leonard E. Peterson, Kennard.

NEVADA

Walter J. Bitton, Imlay.
Garner Andersen, Overton.

NEW HAMPSHIRE

Samuel A. Towle, Hampton.

NEW JERSEY

Harry H. Pedersen, Jr., Absecon.
George W. Douglass, Cape May Court House.

Howard F. Koons, Perth Amboy.

NEW YORK

Florence M. Drankhan, Boston.
Bernice M. Murphy, Cattaraugus.
Doris M. Robinson, Comstock.
Raymond V. Seaman, Gilbertsville.
Paul W. Christenson, Gowanda.
David O. Rourke, Madrid.
Percy Pemberton, Monroe.
William R. Costello, Red House.
Ruth H. Dexter, Wampsville.

NORTH CAROLINA

Walter L. York, High Point.
Ruth E. Parrish, Summerfield.
Marvin W. Thomas, Trenton.

NORTH DAKOTA

Harold W. Bachman, Streeter.

OHIO

Glenn M. Price, Gahanna.
Ann M. Collins, Hooen.
Janice B. Hilborn, Tiro.
Richard G. Graham, Wapakoneta.
Owen F. Hartsock, Waynesville.
Stephen M. Snouffer, Worthington.

OKLAHOMA

R. C. Chastain, Clayton.

OREGON

Richard M. Bowman, Falls City.

PENNSYLVANIA

Robert W. Newton, Blandburg.
Norman C. Mackrell, Conoquenessing.
Adrian E. Kibler, Hastings.
Mary E. Yost, Loganville.
Norbert C. McDermott, McKees Rocks.
Drue L. Eyer, Nescopeck.
Melvin S. Raudabaugh, New Kingstown.
Alfred E. Ingram, Norwood.
Robert D. Esbenschade, Paradise.
Millard L. Kroh, Seven Valleys.
C. Lyman Sturgis, Uniontown.
Frank A. Bialas, Wilmore.
Jack S. Karchner, Woodland.

SOUTH CAROLINA

Samuel A. Elliott, Windy Hill Beach.

SOUTH DAKOTA

Clifford N. Nelson, Toronto.

TENNESSEE

Josiah A. DeMarcus, Norris.

TEXAS

Dewey E. Waggoner, Sundown.
Thomas J. Pippin, Van.
Henry M. Durham, Woodville.

UTAH

Garnel E. Larsen, Hyrum.
Lydia Johnson, Marysville.
Gordon A. Wood, Monticello.

VIRGINIA

Willoughby P. Taylor, Ashland.
Charles N. Wysor, Honaker.
Charles William Brown, Narrows.
Raymond N. Kinder, Rural Retreat.

WASHINGTON

Edna B. Gibson, Eastsound.

WISCONSIN

Boyd D. Wilson, Benton.
Walter L. Paepke, Burlington.
Elden F. Keller, Cochrane.
Lawrence W. Paul, Fox Lake.
Lydia I. Sievert, Greenvale.
Neal E. Jones, Wausau.

HOUSE OF REPRESENTATIVES

WEDNESDAY, JUNE 20, 1956

The House met at 12 o'clock noon.

The Chaplain, Rev. Bernard Braskamp, D. D., offered the following prayer:

Almighty God, in this moment of prayer, may we come nearer unto Thee than we have ever known and may our human wills be made one with Thine in a bond of unity that can never be broken.

Grant that we may also be more firmly and closely united with one another in our plans and purposes to achieve for all mankind the blessings of a freer and fuller life.

Inspire us to search and struggle earnestly for that blessed day of universal peace when the tyrannies which oppress and the terrors which affright the soul of man shall be dethroned and destroyed and supplanted by the spirit of truth and righteousness.

Hear us in the name of the Prince of Peace. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGES FROM THE PRESIDENT

Sundry messages in writing from the President of the United States were communicated to the House by Mr. Tribbe, one of his secretaries, who also informed the House that on the following dates the President approved and signed bills of the House of the following titles:

On June 15, 1956:

H. R. 2216. An act to amend the act of June 19, 1948 (ch. 511, 62 Stat. 489), relating to the retention in the service of disabled commissioned officers and warrant officers of the Army and Air Force;

H. R. 4229. An act to provide running mates for certain staff corps officers in the naval service, and for other purposes;

H. R. 4437. An act relating to withholding for State employee retirement system purposes, on the compensation of certain civilian employees of the National Guard and the Air National Guard;

H. R. 4569. An act to provide for renewal of and adjustment of compensation under contracts for carrying mail on water routes;

H. R. 4704. An act to provide for the examination preliminary to promotion of officers of the naval service;

H. R. 8477. An act to amend title II of the Women's Armed Services Integration Act of 1948, by providing flexibility in the distribution of women officers in the grades of commander and lieutenant commander, and for other purposes;

H. R. 8490. An act authorizing the Administrator of General Services to convey certain property of the United States to the city of Bonham, Tex.;

H. R. 8674. An act to provide for the return of certain property to the city of Biloxi, Miss.; and

H. R. 9358. An act to require the Administrator of Veterans' Affairs to issue a deed to the city of Cheyenne, Wyo., for certain land heretofore conveyed to such city, removing the conditions and reservations made a part of such prior conveyance.

On June 18, 1956:

H. R. 3255. An act to amend the Classification Act of 1949 to preserve in certain cases the rates of basic compensation of officers and employees whose positions are placed in lower grades by virtue of reclassification actions under such act, and for other purposes;

H. R. 8123. An act authorizing the Administrator of General Services to convey certain property of the United States to the city of Roseburg, Ore.;

H. R. 8225. An act to authorize the addition of certain lands to the Pipestone National Monument in the State of Minnesota; and

H. R. 9822. An act to provide for the establishment of a trout hatchery on the Davidson River in the Pisgah National Forest in North Carolina.

On June 19, 1956:

H. R. 2840. An act to promote the further development of public library service in rural areas;

H. R. 4363. An act authorizing the conveyance of certain property of the United States to the State of New Mexico;

H. R. 5237. An act for the relief of Mrs. Ella Madden and Clarence E. Madden; and

H. R. 6274. An act to provide that no fee shall be charged a veteran discharged under honorable conditions for furnishing him or his next of kin or legal representative a copy of a certificate showing his service in the Armed Forces.

On June 20, 1956:

H. R. 692. An act to authorize the Postmaster General to provide for the use in first- and second-class post offices of a special canceling stamp or postmarking die bearing the words "Pray for Peace";

H. R. 1484. An act for the relief of Garrett Norman Soulen and Michael Harvey Soulen.

H. R. 5079. An act for the relief of Tom Wong (Foo Tai Nam);

H. R. 5516. An act to amend title III of the Army and Air Force Vitalization and Retirement Equalization Act of 1948 to provide that service as an Army field clerk, or as a field clerk, Quartermaster Corps, shall be counted for purposes of retirement under title III of that act, and for other purposes;

H. R. 7702. An act for the relief of Mrs. Elizabeth Shenekji;

H. R. 7913. An act authorizing the Administrator of General Services to effect the exchange of properties between the United States and the city of Cape Girardeau, Mo.;

H. R. 10721. An act making appropriations for the Departments of State and Justice, the judiciary, and related agencies for the fiscal year ending June 30, 1957, and for other purposes; and

H. R. 10899. An act making appropriations for the Department of Commerce and related agencies for the fiscal year ending June 30, 1957, and for other purposes.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Carrell, one of its clerks, announced that the Senate had passed without amendment a bill of the House of the following title:

H. R. 10060. An act to amend the District of Columbia Police and Firemen's Salary Act of 1953, as amended.

The message also announced that the Senate had passed, with amendments in which the concurrence of the House is requested, a bill of the House of the following title:

H. R. 7763. An act to amend the Japanese-American Evacuation Claims Act of 1948, as amended, to expedite the final determination of the claims, and for other purposes.

The message also announced that the Senate had passed bills and a joint resolution of the following titles, in which the concurrence of the House is requested:

S. 2572. An act to authorize the interchange of lands between the Department of Agriculture and military departments of the Department of Defense, and for other purposes;

S. 3363. An act for the relief of Miroslav Slovak;

S. 3365. An act to amend section 410 of the Interstate Commerce Act, as amended, to change the requirements for obtaining a freight forwarder permit;

S. 3879. An act to supplement the anti-trust laws of the United States, in order to balance the power now heavily weighted in favor of automobile manufacturers, by enabling franchise automobile dealers to bring suit in the district courts of the United States to recover compensatory damages sustained by reason of the failure of automobile manufacturers to act in good faith in complying with the terms of franchises or in terminating or not renewing franchises with their dealers; and

S. J. Res. 110. Joint resolution directing the Secretary of the Interior to conduct a study and investigation of Indian education in the United States.

INDEPENDENT OFFICES APPROPRIATION BILL, 1957—CONFERENCE REPORT

Mr. THOMAS. Mr. Speaker, I call up the conference report on the bill (H. R. 9739) making appropriations for sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices, for the fiscal year ending June 30, 1957, and for other purposes, and I ask unanimous consent that the statement on the part of the managers be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Texas [Mr. THOMAS]?

There was no objection.

The Clerk read the statement.

The conference report and statement follows:

CONFERENCE REPORT (H. REPT. No. 2396)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 9739) making appropriations for sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices, for the fiscal year ending June 30, 1957, and

for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 3, 9, 11, 13, 15, 23, 28, 33, 43, 49, 56, and 72.

That the House recede from its disagreement to the amendments of the Senate numbered 4, 14, 16, 18, 19, 20, 21, 26, 27, 30, 39, 40, 41, 42, 45, 52, 53, 55, 59, 60, 61, 62, 65, 66, 69 and 75, and agree to the same.

Amendment numbered 1: That the House recede from its disagreement to the amendment of the Senate numbered 1, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "\$12,000"; and the Senate agree to the same.

Amendment numbered 2: That the House recede from its disagreement to the amendment of the Senate numbered 2, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "\$17,407,500"; and the Senate agree to the same.

Amendment numbered 5: That the House recede from its disagreement to the amendment of the Senate numbered 5, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "\$487,500"; and the Senate agree to the same.

Amendment numbered 6: That the House recede from its disagreement to the amendment of the Senate numbered 6, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "\$525,000,000"; and the Senate agree to the same.

Amendment numbered 7: That the House recede from its disagreement to the amendment of the Senate numbered 7, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "\$117,500"; and the Senate agree to the same.

Amendment numbered 8: That the House recede from its disagreement to the amendment of the Senate numbered 8, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "\$6,000"; and the Senate agree to the same.

Amendment numbered 10: That the House recede from its disagreement to the amendment of the Senate numbered 10, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "\$47,000,000"; and the Senate agree to the same.

Amendment numbered 12: That the House recede from its disagreement to the amendment of the Senate numbered 12, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "\$4,000,000"; and the Senate agree to the same.

Amendment numbered 17: That the House recede from its disagreement to the amendment of the Senate numbered 17, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "\$5,225,000"; and the Senate agree to the same.

Amendment numbered 22: That the House recede from its disagreement to the amendment of the Senate numbered 22, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "\$125,000,000"; and the Senate agree to the same.

Amendment numbered 24: That the House recede from its disagreement to the amendment of the Senate numbered 24, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "\$120,000"; and the Senate agree to the same.

Amendment numbered 25: That the House recede from its disagreement to the amend-

ment of the Senate numbered 25, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "\$2,884,400"; and the Senate agree to the same.

Amendment numbered 29: That the House recede from its disagreement to the amendment of the Senate numbered 29, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "\$3,175,500"; and the Senate agree to the same.

Amendment numbered 31: That the House recede from its disagreement to the amendment of the Senate numbered 31, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "\$9,540,375"; and the Senate agree to the same.

Amendment numbered 32: That the House recede from its disagreement to the amendment of the Senate numbered 32, and agree to the same with an amendment, as follows: Restore the matter stricken by said amendment, amended to read as follows:

"No part of any money appropriated by this or any other Act for any agency of the executive branch of the Government shall be used during the current fiscal year for the purchase within the continental limits of the United States of any typewriting machines except in accordance with regulations issued pursuant to the provisions of the Federal Property and Administrative Services Act of 1949, as amended."

And the Senate agree to the same.

Amendment numbered 34: That the House recede from its disagreement to the amendment of the Senate numbered 34, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "\$6,225,000"; and the Senate agree to the same.

Amendment numbered 35: That the House recede from its disagreement to the amendment of the Senate numbered 35, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "\$1,500,000"; and the Senate agree to the same.

Amendment numbered 36: That the House recede from its disagreement to the amendment of the Senate numbered 36, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "\$7,500,000"; and the Senate agree to the same.

Amendment numbered 37: That the House recede from its disagreement to the amendment of the Senate numbered 37, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "\$10,500,000"; and the Senate agree to the same.

Amendment numbered 38: That the House recede from its disagreement to the amendment of the Senate numbered 38, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "\$93,000,000"; and the Senate agree to the same.

Amendment numbered 44: That the House recede from its disagreement to the amendment of the Senate numbered 44, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "\$61,887,500"; and the Senate agree to the same.

Amendment numbered 46: That the House recede from its disagreement to the amendment of the Senate numbered 46, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "\$14,000,000"; and the Senate agree to the same.

Amendment numbered 47: That the House recede from its disagreement to the amendment of the Senate numbered 47, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "\$38,000"; and the Senate agree to the same.

Amendment numbered 48: That the House recede from its disagreement to the amendment of the Senate numbered 48, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "\$40,000,000"; and the Senate agree to the same.

Amendment numbered 51: That the House recede from its disagreement to the amendment of the Senate numbered 51, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "\$1.125"; and the Senate agree to the same.

Amendment numbered 54: That the House recede from its disagreement to the amendment of the Senate numbered 54, and agree to the same with an amendment, as follows: In lieu of the matter stricken out and inserted by said amendment insert "twenty-eight"; and the Senate agree to the same.

Amendment numbered 57: That the House recede from its disagreement to the amendment of the Senate numbered 57, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "\$163,027,130"; and the Senate agree to the same.

Amendment numbered 58: That the House recede from its disagreement to the amendment of the Senate numbered 58, and agree to the same with an amendment, as follows:

Restore the matter stricken by said amendment, amended to read as follows: ", of which \$17,640,042 shall be available for such expenses as are necessary for the loan guaranty program"; and the Senate agree to the same.

Amendment numbered 63: That the House recede from its disagreement to the amendment of the Senate numbered 63, and agree to the same with an amendment, as follows: In lieu of the matter proposed by said amendment insert ", of which \$2,000,000 shall be used for the major alteration, rehabilitation, and modernization for the continued operation of the hospital at McKinney, Texas, and \$1,500,000 shall be available for technical services for replacement of the general medical and surgical hospital at Nashville, Tennessee"; and the Senate agree to the same.

Amendment numbered 67: That the House recede from its disagreement to the amendment of the Senate numbered 67, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "\$1,036,700"; and the Senate agree to the same.

Amendment numbered 68: That the House recede from its disagreement to the amendment of the Senate numbered 68, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "\$46,950; and the Senate agree to the same.

Amendment numbered 70: That the House recede from its disagreement to the amendment of the Senate numbered 70, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "\$368,000"; and the Senate agree to the same.

Amendment numbered 71: That the House recede from its disagreement to the amendment of the Senate numbered 71, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "\$2,165,000"; and the Senate agree to the same.

Amendment numbered 73: That the House recede from its disagreement to the amendment of the Senate numbered 73, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "\$3,775,000"; and the Senate agree to the same.

Amendment numbered 74: That the House recede from its disagreement to the amendment of the Senate numbered 74, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amend-

ment insert "\$12,475,000"; and the Senate agree to the same.

The committee of conference report in disagreement amendments numbered 50 and 64.

ALBERT THOMAS,
SIDNEY R. YATES,
JOE L. EVINS,
EDWARD P. BOLAND,
CLARENCE CANNON,
JOHN PHILLIPS,
C. W. VURSELL,
HAROLD C. OSTERTAG,
JOHN TABER,

Managers on the Part of the House.

WARREN G. MAGNUSON,
LISTER HILL,
ALLEN J. ELLENDER,
A. WILLIS ROBERTSON,
JOHN L. MCCLELLAN,
EVERETT M. DIRKSEN,
LEVERETT SALTONSTALL,
W. F. KNOWLAND,
per J. P. G.
JOSEPH R. MCCARTHY,
CHARLES POTTER,

Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 9739) making appropriations for sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices, for the fiscal year ending June 30, 1957, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon and recommended in the accompanying conference report as to each of such amendments, namely:

TITLE I—INDEPENDENT OFFICES

Civil Service Commission

Amendments Nos. 1 and 2—Salaries and expenses: Authorize \$12,000 for consultant services instead of \$10,000 as proposed by the House and \$29,000 as proposed by the Senate; and appropriate \$17,407,500 for salaries and expenses instead of \$17,282,500 as proposed by the House and \$17,532,500 as proposed by the Senate.

Amendment No. 3: Restores House language relating to compensation or expenses of members of boards of examiners.

Amendment No. 4: Deletes House language relating to employees who allocate or reallocate supervisory positions in the classified civil service as proposed by the Senate.

Amendment No. 5—Investigations of United States citizens for employment by international organizations: Appropriates \$487,500 instead of \$450,000 as proposed by the House and \$525,000 as proposed by the Senate.

Amendment No. 6—Payment to civil-service retirement and disability fund: Appropriates \$525,000,000 instead of \$600,000,000 as proposed by the House and \$440,438,000 as proposed by the Senate.

Amendment No. 7: Authorizes \$117,500 for administrative expenses of the Federal Employees' Group Life Insurance Act instead of \$100,000 as proposed by the House and \$186,700 as proposed by the Senate.

Federal Civil Defense Administration

Amendments Nos. 8 and 9—Operations: Authorize \$6,000 for the purchase of newspapers, periodicals, and teletype news services instead of \$5,000 as proposed by the House and \$10,000 as proposed by the Senate; and appropriate \$15,560,000 as proposed by the House instead of \$21,700,000 as proposed by the Senate.

Amendment No. 10—Emergency supplies and equipment: Appropriates \$47,000,000 instead of \$42,000,000 as proposed by the House and \$64,000,000 as proposed by the Senate.

Amendment No. 11—Surveys, plans, and research: Appropriates \$10,000,000 as pro-

posed by the House instead of \$14,500,000 as proposed by the Senate.

Amendment No. 12—Salaries and expenses, Civil defense functions of Federal agencies: Appropriates \$4,000,000 instead of \$1,540,000 as proposed by the House and \$6,000,000 as proposed by the Senate.

Amendment No. 13: Restores House language relating to the construction or lease of warehouse space.

Funds Appropriated to the President

Disaster Relief

Amendments Nos. 14 and 15: Appropriate \$6,000,000 as proposed by the Senate instead of \$5,386,030 as proposed by the House; and delete Senate language limiting the amount of expenditures in any one State.

Federal Communications Commission

Amendment No. 16—Salaries and expenses: Appropriates \$7,828,000 as proposed by the Senate instead of \$7,800,000 as proposed by the House.

Federal Power Commission

Amendments Nos. 17 and 18—Salaries and expenses: Appropriate \$5,225,000 instead of \$5,200,000 as proposed by the House and \$5,250,000 as proposed by the Senate; and authorize \$325,000 for investigations relating to Federal river development projects as proposed by the Senate instead of \$200,000 as proposed by the House.

Federal Trade Commission

Amendments Nos. 19, 20 and 21—Salaries and expenses: Authorize \$237,000 for expenses of travel as proposed by the Senate instead of \$227,000 as proposed by the House; appropriate \$5,550,000 for salaries and expenses as proposed by the Senate instead of \$5,400,000 as proposed by the House; and delete House language relating to a statistical analysis of the consumer's dollar as proposed by the Senate.

General Services Administration

Amendment No. 22—Operating expenses, Public Buildings Service: Appropriates \$125,000,000 instead of \$122,694,200 as proposed by the House and \$128,084,500 as proposed by the Senate.

Amendment No. 23—Repair, improvement, and equipment of federally owned buildings outside the District of Columbia: Appropriates \$42,565,550 as proposed by the House instead of \$42,638,000 as proposed by the Senate.

Amendments Nos. 24 and 25—Operating expenses, Federal Supply Service: Authorize \$120,000 for expenses of travel instead of \$81,000 as proposed by the House and \$160,000 as proposed by the Senate; and appropriate \$2,884,400 instead of \$2,809,400 as proposed by the House and \$2,959,400 as proposed by the Senate.

Amendment No. 26—Expenses, general supply fund: Appropriates \$14,770,000 as proposed by the Senate instead of \$14,270,000 as proposed by the House.

Amendment No. 27—Operating expenses, National Archives and Records Service: Appropriates \$6,893,650 as proposed by the Senate instead of \$6,818,650 as proposed by the House.

Amendment No. 28—Survey of Government records, records management, and disposal practices: Deletes Senate language to appropriate \$200,000.

Amendments Nos. 29 and 30—Strategic and critical materials: Authorize \$3,175,500 for operating expenses instead of \$3,000,000 as proposed by the House and \$3,351,000 as proposed by the Senate; and insert a comma as proposed by the Senate.

Amendment No. 31—Administrative operations fund: Authorizes \$9,540,375 instead of \$9,278,200 as proposed by the House and \$9,802,550 as proposed by the Senate.

Amendment No. 32: Strikes out House language relating to the purchase of type-

writers but inserts language requiring that they be purchased in accordance with regulations issued pursuant to the provisions of the Federal Property and Administrative Services Act of 1949, as amended. The deletion of the typewriter price restriction language is not intended to alter the present prohibition against purchases of typewriting machines by agencies in the executive branch of the Government unless the General Services Administration certifies that suitable typewriting machines are not available from excess.

Amendment No. 33: Restores House language authorizing 10 positions in grade GS-16 and one position in grade GS-18 of the Classification Act of 1949, as amended.

Housing and Home Finance Agency

Office of the Administrator

Amendment No. 34—Salaries and expenses: Appropriates \$6,225,000 instead of \$6,000,000 as proposed by the House and \$6,450,000 as proposed by the Senate.

Amendment No. 35—Urban planning grants: Appropriates \$1,500,000 instead of \$1,000,000 as proposed by the House and \$2,000,000 as proposed by the Senate.

Amendment No. 36—Reserve of planned public works (payment to revolving fund): Appropriates \$7,500,000 instead of \$6,000,000 as proposed by the House and \$9,000,000 as proposed by the Senate.

Public Housing Administration

Amendment No. 37—Administrative expenses: Appropriates \$10,500,000 instead of \$9,700,000 as proposed by the House and \$10,700,000 as proposed by the Senate.

Amendment No. 38—Annual contributions: Appropriates \$93,000,000 instead of \$90,000,000 as proposed by the House and \$96,000,000 as proposed by the Senate.

Interstate Commerce Commission

Amendments Nos. 39, 40, 41, 42 and 43—Salaries and expenses: Authorize the purchase of 60 passenger motor vehicles as proposed by the Senate instead of 45 as proposed by the House; insert language as proposed by the Senate authorizing not to exceed \$1,085,000 for expenses of travel; appropriate \$14,879,696 for the Interstate Commerce Commission as proposed by the Senate instead of \$13,900,000 as proposed by the House; authorize not less than \$1,230,178 for expenses necessary to carry out railroad safety activities and not less than \$849,500 for expenses necessary to carry out locomotive inspection activities as proposed by the Senate instead of not less than \$1,939,000 for railroad safety and locomotive inspection activities as proposed by the House; and strike out language proposed by the Senate earmarking \$187,088 for twenty-two inspectors for the Bureau of Motor Carriers. In deleting language proposed by the Senate earmarking funds for motor carrier inspectors, the conferees intend that the additional funds provided shall be used for such safety inspectors as intended in the language.

National Advisory Committee for Aeronautics

Amendments Nos. 44 and 45—Salaries and expenses: Provide \$63,387,500 instead of \$62,075,000 as proposed by the House and \$64,700,000 as proposed by the Senate.

Amendment No. 46—Construction and equipment: Appropriates \$14,000,000 instead of \$13,000,000 as proposed by the House and \$15,000,000 as proposed by the Senate.

National Capital Housing Authority

Amendment No. 47—Maintenance and operation of properties: Appropriates \$38,000 instead of \$37,000 as proposed by the House and \$39,000 as proposed by the Senate.

National Science Foundation

Amendments Nos. 48 and 49—Salaries and expenses: Appropriate \$40,000,000 instead of \$35,915,000 as proposed by the House and \$41,300,000 as proposed by the Senate; and restore House language earmarking \$9,500,000

for the supplementary training of high-school science and mathematics teachers. The amount appropriated includes \$3,500,000 proposed for a radio astronomy facility.

National Security Training Commission

Amendment No. 50—Salaries and expenses: Reported in disagreement. The conferees are agreed that the amount provided for this agency in fiscal year 1957 should be to close out its activities during the fiscal year.

Securities and Exchange Commission

Amendments Nos. 51, 52 and 53—Salaries and expenses: Authorize \$1,125 for the purchase of newspapers instead of \$750 as proposed by the House and \$1,500 as proposed by the Senate; authorize purchase of one passenger motor vehicle as proposed by the Senate; and appropriate \$5,749,000 as proposed by the Senate instead of \$5,700,000 as proposed by the House.

Selective Service System

Amendments Nos. 54, 55 and 56—Salaries and expenses: Authorize purchase of 28 motor vehicles for replacement only instead of 19 as proposed by the House and 38 as proposed by the Senate; appropriate \$29,050,000 as proposed by the Senate instead of \$28,442,000 as proposed by the House; and restore House language earmarking \$20,586,050 for activities of local boards.

Veterans' Administration

Amendments Nos. 57, 58 and 59—General operating expenses: Appropriate \$163,027,130 instead of \$162,118,260 as proposed by the House and \$163,936,000 as proposed by the Senate; insert language earmarking \$17,640,042 for the loan guaranty program proposed by the House; and authorize 22 persons in public relations work as proposed by the Senate instead of 20 persons as proposed by the House.

Amendments Nos. 60 and 61—Medical administration and miscellaneous operating expenses: Appropriate \$20,773,800 as proposed by the Senate instead of \$16,099,600 as proposed by the House; and earmark \$10,000,000 for medical research as proposed by the Senate.

Amendments Nos. 62, 63, and 65—Hospital and domiciliary facilities: Appropriate \$51,635,000 as proposed by the Senate instead of \$50,935,000 as proposed by the House. The appropriation, in addition to the budget program, includes \$1,500,000 for the major alteration and rehabilitation of the hospital at McKinney, Tex., for permanent use; \$2,000,000 for replacement of the hospital at Nashville, Tenn.; and chapel facilities for the hospitals at Northampton, Mass., Wilkes-Barre, Pa., and Brooklyn, N. Y., as proposed by the House; and \$700,000 for a therapeutic exercise clinic for the hospital at Battle Creek, Mich., as proposed by the Senate.

Amendment No. 64—Reported in disagreement.

Amendment No. 66—Major alterations, improvements, and repairs: Appropriates \$4,533,000 as proposed by the Senate instead of \$4,447,000 as proposed by the House.

TITLE II—CORPORATIONS

Federal Home Loan Bank Board

Amendments Nos. 67 and 68—Authorize \$1,036,700 for administrative expenses of the Federal Home Loan Bank Board instead of \$978,400 as proposed by the House and \$1,095,000 as proposed by the Senate; and authorize \$46,950 for expenses of travel instead of \$42,400 as proposed by the House and \$51,500 as proposed by the Senate.

Amendment No. 69—Federal Savings and Loan Insurance Corporation: Authorizes \$596,000 for administrative expenses as proposed by the Senate instead of \$532,000 as proposed by the House.

Housing and Home Finance Agency

Amendment No. 70—Office of the Administrator, public facility loans: Authorizes

\$368,000 for administrative expenses instead of \$318,000 as proposed by the House and \$418,000 as proposed by the Senate.

Amendments Nos. 71 and 72—Office of the Administrator, revolving fund (liquidating programs): Authorize \$2,165,000 for administrative expenses instead of \$2,000,000 as proposed by the House and \$2,310,000 as proposed by the Senate; and authorize \$7,900,000 for nonadministrative expenses as proposed by the House instead of \$8,400,000 as proposed by the Senate.

Amendment No. 73—Federal National Mortgage Association: Authorizes \$3,775,000 for administrative expenses instead of \$3,700,000 as proposed by the House and \$3,850,000 as proposed by the Senate.

Amendments Nos. 74 and 75—Public Housing Administration: Authorize \$12,475,000 for administrative expenses instead of \$11,550,000 as proposed by the House and \$12,800,000 as proposed by the Senate; and insert language authorizing purchase of uniforms and allowances therefor as proposed by the Senate.

ALBERT THOMAS,
SIDNEY R. YATES,
JOE L. EVINS,
EDWARD P. BOLAND,
CLARENCE CANNON,
JOHN PHILLIPS,
C. W. VURSELL,
HAROLD C. OSTERTAG,
JOHN TABER,

Managers on the Part of the House.

The SPEAKER. The question is on the conference report.

Mr. ROONEY. Mr. Speaker, will the distinguished gentleman from Texas yield?

Mr. THOMAS. I yield.

Mr. ROONEY. Mr. Speaker, with regard to this conference report which we are about to adopt, I should like to express the grateful appreciation of the vast number of war veterans in Brooklyn, N. Y., to my friend and colleague, the gentleman from Texas, and the managers on the part of the House for having included in this conference report funds for a new chapel facility at the Fort Hamilton Veterans' Administration hospital in Brooklyn, N. Y.

Mr. THOMAS. As the gentleman from New York knows, there is \$435,000 included in this bill for 3 chapels, and the one in Brooklyn is 1 of them.

I recall several years ago when a former Member of this House, Donald L. O'Toole, and the gentleman from New York [Mr. ROONEY] were instrumental in getting the Fort Hamilton veterans' hospital. They have been active ever since in procuring the chapel facility. So we think the headache is over with now.

Mr. ROONEY. I thank the gracious and distinguished gentleman from Texas.

Mr. THOMAS. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER. The question is on the conference report.

The conference report was agreed to.

The SPEAKER. The Clerk will read the first amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 50: Page 24, line 20, insert:

"NATIONAL SECURITY TRAINING COMMISSION

"Salaries and expenses: For necessary expenses of the National Security Training

Commission, including services as authorized by section 15 of the act of August 2, 1946 (5 U. S. C. 55a), at rates for individuals not in excess of \$50 per diem; and expenses of attendance at meetings concerned with the purposes of this appropriation; \$75,000."

Mr. THOMAS. Mr. Speaker, I move that the House recede and concur in the Senate amendment with an amendment. The Clerk read as follows:

Mr. THOMAS moves that the House recede from its disagreement to the amendment of the Senate numbered 50, and concur therein with an amendment, as follows: In lieu of the sum of "\$75,000" named in said amendment, insert "\$50,000."

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 64: Page 32, line 9, insert: "Provided, That the construction of the hospital at the Wade Park site is, to furnish not less than 800 general, medical, and surgical beds."

Mr. THOMAS. Mr. Speaker, I move that the House recede and concur in the Senate amendment.

The motion was agreed to.

A motion to reconsider the votes by which action was taken on the several motions was laid on the table.

LEGISLATIVE BRANCH APPROPRIATION BILL

Mr. NORRELL. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 11473) making appropriations for the legislative branch for the fiscal year ending June 30, 1957, and for other purposes, with Senate amendments thereto and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Page 1, after line 6, insert:

"SENATE"

Page 1, after line 6, insert:

"Salaries of Senators, mileage of the President of the Senate and of Senators, expense allowance of the majority and minority leaders of the Senate, and salary and expense allowance of the Vice President"

Page 1, after line 6, insert:

"For compensation of Senators, \$12,-166,240."

Page 1, after line 6, insert:

"For mileage of the President of the Senate and of Senators, \$51,000."

Page 1, after line 6, insert:

"For expense allowance of the majority leader and the minority leader of the Senate, \$2,000 each, in all, \$4,000."

Page 1, after line 6, insert:

"For the compensation of the Vice President of the United States, \$35,070."

Page 1, after line 6, insert:

"For expense allowance of the Vice President, \$10,000."

Page 1, after line 6, insert:

"Salaries, officers and employees"

"For compensation of officers, employees, clerks to Senators, and others as authorized by law, as follows."

Page 1, after line 6, insert:

"Office of the Vice President"

"For clerical assistance to the Vice President, at rates of compensation to be fixed

by him in multiples of \$5 per month, \$86,925."

Page 1, after line 6, insert:

"Chaplain"

"Chaplain of the Senate, \$5,000."

Page 1, after line 6, insert:

"Office of the Secretary"

"For office of the Secretary, \$572,915: *Provided*, That effective July 1, 1956, the compensation of the chief clerk and parliamentary of the Senate shall be \$15,500 gross per annum each in lieu of \$8,820 basic per annum each; and the basic annual compensation of the following positions shall be: legislative clerk \$7,620 in lieu of \$7,260; journal clerk \$7,620 in lieu of \$7,260; assistant parliamentary \$7,620 in lieu of \$7,260; keeper of stationery \$6,060 in lieu of \$5,580; librarian \$6,060 in lieu of \$5,580; superintendent document room \$6,060 in lieu of \$5,580; secretary to parliamentarian \$3,240 in lieu of \$3,000; assistant journal clerk \$3,240 in lieu of \$3,060; assistant bill clerk \$3,240 in lieu of \$3,000; assistant executive clerk \$3,240 in lieu of \$3,000; and custodian of records \$3,240 in lieu of \$3,000."

Page 1, after line 6, insert:

"Committee employees"

"For professional and clerical assistance to standing committees, and the Select Committee on Small Business, \$2,030,650."

Page 1, after line 6, insert:

"Conference committees"

Page 1, after line 6, insert:

"For clerical assistance to the conference of the majority, at rates of compensation to be fixed by the chairman of said committee, \$40,000."

Page 1, after line 6, insert:

"For clerical assistance to the conference of the minority, at rates of compensation to be fixed by the chairman of said committee, \$40,000."

Page 1, after line 6, insert:

"Administrative and clerical assistants to Senators"

"For administrative and clerical assistants and messenger service for Senators, \$9,-604,000."

Page 1, after line 6, insert:

"Office of the Sergeant at Arms and Doorkeeper"

"For office of Sergeant at Arms and Doorkeeper, \$1,755,770: *Provided*, That effective July 1, 1956, the basic annual compensation of the following positions shall be: secretary \$2,760 in lieu of \$2,520; clerk \$2,880 in lieu of secretary \$2,460; chief telephone operator \$3,180 in lieu of \$3,000; three assistant chief telephone operators at \$2,580 each in lieu of \$2,460 each; 26 pages at \$1,800 each in lieu of 24 pages at \$1,800 each; 79 privates, police force, at \$2,160 each in lieu of 75 privates, police force, at \$2,160 each; postmaster \$6,060 in lieu of \$5,580; chief clerk, post office \$2,760 in lieu of \$2,660; 30 mail carriers at \$2,100 each in lieu of 28 mail carriers at \$2,100 each; superintendent, periodical press gallery at \$4,740 in lieu of \$4,320; clerk-stenographer, service department at \$2,160 in lieu of clerk-typist at \$1,920; chief machine operator at \$2,880 in lieu of \$2,760; foreman of duplicating department at \$3,180 in lieu of \$2,880; two offset press operators at \$2,580 each and 1 offset press operator at \$2,340 in lieu of 3 offset press operators at \$2,340 each; 2 messengers at pass door at \$2,400 each; superintendent of mails at \$2,400; superintendent press photographers gallery at \$4,020; night supervisor, service department at \$2,700; senior addressograph operator at \$2,400 and 5 addressograph operators at \$2,160 each in lieu of 4 addressograph operators at \$2,160 each; 7 messengers at \$1,740 each in lieu of 6 messengers at \$1,740 each; 5 inserting machine operators at \$1,980 each; 2 photostat operators at \$2,400 each in lieu of 1

photostat operator at \$2,400; 4 laborers at \$1,620 each in lieu of 3 laborers at \$1,620 each; auditor \$2,220; administrative assistant \$7,320; director, recording studio, \$7,020; director of photography \$5,100; chief sound engineer \$4,080; laboratory supervisor \$4,020; cameraman \$3,600; film and radio recording engineer \$3,120; shipping and stock clerk \$1,800; traffic manager \$2,520; production assistant \$3,420; editor and printer \$3,000; administrative officer \$3,780; and projectionist, film inspector \$2,280."

Page 1, after line 6, insert:

"Offices of the Secretaries for the majority and the minority"

"For the offices of the Secretary for the majority and the Secretary for the minority, \$94,950: *Provided*, That effective July 1, 1956, the gross compensation of the Secretary for the Majority and the Secretary for the Minority shall be \$15,500 per annum each; and the basic annual compensation of the assistant secretary for the majority and the assistant secretary for the minority shall be \$6,300 each in lieu of \$5,580 each."

Page 1, after line 6, insert:

"Offices of the majority and minority whips"

"For 2 clerical assistants, 1 for the majority whip and 1 for the minority whip, at not to exceed \$5,580 basic per annum each, \$20,045."

Page 1, after line 6, insert:

"In all \$14,250,255, and the agency contribution for Federal Employees Group Life Insurance authorized to be paid from this appropriation by Public Law 598, 83d Congress, shall be paid without regard to the above limitations."

Page 1, after line 6, insert:

"Contingent expenses of the Senate"

Page 1, after line, insert:

"Legislative reorganization: For salaries and expenses, legislative reorganization, including the objects specified in Public Law 663, 79th Congress, \$100,000."

Page 1, after line 6, insert:

"Senate policy committees: For salaries and expenses of the Majority Policy Committee and the Minority Policy Committee, \$105,000 for each such committee; in all \$210,000."

Page 1, after line 6, insert:

"Joint Committee on the Economic Report: For salaries and expenses of the Joint Committee on the Economic Report, \$135,560."

Page 1, after line 6, insert:

"Joint Committee on Atomic Energy: For salaries and expenses of the Joint Committee on Atomic Energy, including the objects specified in Public Law 20, 80th Congress, including \$825 for expenses of compiling and preparing year end Joint Committee reports, which sum, or any part thereof, may be paid as additional compensation to any employee of the United States, \$222,775."

Page 1, after line 6, insert:

"Joint Committee on Printing: For salaries and expenses of the Joint Committee on Printing, at rates of compensation to be fixed by the committee, \$59,085; for expenses of compiling, preparing, and indexing the Congressional Directory, \$1,600; and for compiling, preparing, and indexing material for the biographical directory, \$2,500, said sum, or any part thereof, in the discretion of the chairman or vice chairman of the Joint Committee on Printing, may be paid as additional compensation to any employee of the United States; in all, \$63,185."

Page 1, after line 6, insert:

"Committee on Rules and Administration: For reimbursement to General Services Administration for space furnished the United States Senate, \$27,515; and for expenses of compiling, preparing, and indexing material for the Senate Manual, \$2,050, said sum, or any part thereof, in the discretion of the chairman of the Committee on Rules and Administration, may be paid as additional

compensation to any employee of the United States; in all, \$29,565."

Page 1, after line 6, insert:

"Vice President's automobile: For purchase, exchange, driving, maintenance, and operation of an automobile for the Vice President, \$8,785."

Page 1, after line 6, insert:

"Automobile for the President pro tempore: For purchase, exchange, driving, maintenance, and operation of an automobile for the President pro tempore of the Senate, \$8,785."

Page 1, after line 6, insert:

"Automobiles for majority and minority leaders: For purchase, exchange, driving, maintenance, and operation of 2 automobiles, 1 for the majority leader of the Senate, and 1 for the minority leader of the Senate, \$17,570."

Page 1, after line 6, insert:

"Reporting Senate proceedings: For reporting the debates and proceedings of the Senate, payable in equal monthly installments, \$170,250."

Page 1, after line 6, insert:

"Furniture: For services and materials in cleaning and repairing furniture, and for the purchase of Furniture, \$31,190: *Provided*, That the furniture purchased is not available from other agencies of the Government."

Page 1, after line 6, insert:

"Inquiries and investigations: For expenses of inquiries and investigations ordered by the Senate or conducted pursuant to section 134 (a) of Public Law 601, 79th Congress, including \$400,000 for the Committee on Appropriations, to be available also for the purposes mentioned in Senate Resolution numbered 193, agreed to October 14, 1943, and Public Law 20, 80th Congress, \$2,000,000."

Page 1, after line 6, insert:

"Folding documents: For the employment of personnel for folding speeches and pamphlets at a gross rate of not exceeding \$1.61 per hour per person, notwithstanding any other provision of law, \$29,000."

Page 1, after line 6, insert:

"Senate restaurants: For repairs, improvements, equipment, and supplies for Senate kitchens and restaurants, Capitol Building and Senate Office Building, including personal and other services, to be expended under the supervision of the Committee on Rules and Administration, United States Senate, \$55,000."

Page 1, after line 6, insert:

"Motor vehicles: For maintaining, exchanging, and equipping motor vehicles for carrying the mails and for official use of the offices of the Secretary and Sergeant at Arms, \$16,560."

Page 1, after line 6, insert:

"Miscellaneous items: For miscellaneous items, exclusive of labor, \$1,370,000."

Page 1, after line 6, insert:

"Postage stamps: For Office of the Secretary, \$650; Office of Sergeant at Arms, \$225; Offices of the Secretaries for the Majority and the Minority, \$100; and for airmail and special-delivery stamps for Senators and the President of the Senate, as authorized by law, \$38,800, in all, \$39,775, and the maximum allowance per capita for airmail and special-delivery stamps of \$300 is increased to \$400 for the fiscal year 1957, and thereafter."

Page 1, after line 6, insert:

"Stationery: For stationery for Senators and for the President of the Senate, including \$12,900 for stationery for committees and officers of the Senate, \$187,500."

Page 1, after line 6, insert:

"Communications: For an amount for communications which may be expended interchangeably for payment, in accordance with such limitations and restrictions as may be prescribed by the Committee on Rules and Administration, of charges on official telegrams and long-distance telephone calls made by or on behalf of Senators or the President of the Senate, such telephone calls

to be in addition to those authorized by the provisions of the Legislative Branch Appropriation Act, 1947 (60 Stat. 392; 2 U. S. C. 46c, 46d, 46e), as amended, and the First Deficiency Appropriation Act, 1949 (63 Stat. 77; 2 U. S. C. 46d-1), \$14,550."

Page 1, after line 6, insert:

"Administrative provisions"

Page 1, after line 6, insert:

"Notwithstanding the provisions of any other law, each Senator may fix the basic compensation of one employee in his office at a rate of not to exceed \$8,040 per annum in addition to other positions authorized by law."

Page 1, after line 6, insert:

"The Sergeant at Arms hereafter is authorized and directed to secure suitable office space in post office or other Federal buildings in the State of each Senator for the use of such Senator and in the city to be designated by him: *Provided*, That in the event suitable space is not available in such buildings and a Senator leases or rents office space elsewhere, the Sergeant at Arms is authorized to approve for payment, from the contingent fund of the Senate, vouchers covering bona fide statements of rentals due in an amount not exceeding \$1,200 per annum for each Senator."

Page 1, after line 6, insert:

"The Sergeant at Arms of the Senate hereafter is authorized and directed to approve for payment from the contingent fund of the Senate to each Senator an amount not to exceed \$150 quarterly, upon certification of each such Senator, for official office expenses incurred in his State: *Provided*, That in the case of the death of any Senator the chairman of the Committee on Rules and Administration may certify for each deceased Senator for any portion of such quarterly allowances already obligated but not certified to at the time of such Senator's death, and for an amount at the same quarterly rate which may be reasonably needed for the purpose of closing such deceased Senator's State office, for payment to the person or persons designated as entitled to such payment by said chairman."

Page 1, after line 6, insert:

"Effective July 1, 1958, the paragraph relating to official long-distance telephone calls to and from Washington, D. C., under the heading 'Contingent Expenses of the Senate' in Public Law 479, 79th Congress (2 U. S. C. 46c), as amended, is amended by striking out the word 'ninety' and inserting in lieu thereof 'one hundred and twenty' and by striking out the words 'four hundred and fifty' and inserting in lieu thereof 'six hundred'."

Page 1, after line 6, insert:

"The Secretary of the Senate and the Sergeant at Arms hereafter are authorized and directed to protect the funds of their respective offices by purchasing insurance in an amount necessary to protect said funds against loss. Premiums on such insurance shall be paid out of the contingent fund of the Senate, upon vouchers approved by the chairman of the Committee on Rules and Administration."

Page 1, after line 6, insert:

"Salaries or wages paid out of the foregoing items under 'Contingent Expenses of the Senate' shall be computed at basic rates, plus increased and additional compensation, as authorized and provided by law."

Page 1, after line 6, insert:

"No part of the foregoing appropriations made under the heading 'Contingent Expenses of the Senate' hereafter may be expended for per diem and subsistence expenses (as defined in the Travel Expense Act of 1949, as amended) at rates in excess of \$12 per day; except that (1) higher rates may be established by the Committee on Rules and Administration for travel beyond the limits of the continental United States, and (2) in accordance with regulations pre-

scribed by the Committee on Rules and Administration of the Senate, reimbursement for such expenses may be made on an actual expense basis of not to exceed \$25 per day in the case of travel within the continental limits of the United States."

Page 1, after line 6, insert:

"Compensation for stenographic assistance of committees paid out of the foregoing items under 'Contingent Expenses of the Senate' hereafter shall be computed at such rates and in accordance with such regulations as may be prescribed by the Committee on Rules and Administration, notwithstanding, and without regard to any other provision of law."

Page 1, after line 6, insert:

"The contingent fund of the Senate is hereafter made available for reimbursement for mileage, at the rate of 10 cents per mile, for one round trip in each fiscal year by the nearest route usually traveled between Washington, D. C., and a Senator's residence in his home State, to not to exceed two employees in each Senator's office, such reimbursement to be made upon vouchers approved by the Senator and containing a certification by him that such travel was performed in line of official duty."

Page 1, after line 6, insert:

"Unless otherwise specifically authorized by law, no part of any appropriation disbursed by the Secretary of the Senate shall be available for payment of compensation to any person holding any position, for any period for which such person received compensation for holding any other position, the compensation for which is disbursed by the Secretary of the Senate."

Page 8, line 9, strike out "\$82,495" and insert "\$83,095."

Page 9, line 19, after "Incumbents" insert "and that the Commissioners of the District of Columbia are directed to pay the deputy chief detailed under the authority of this paragraph the same salary as that paid in fiscal year 1956 plus \$600 and such increases in basic compensation as may be subsequently provided by law so long as this position is held by the present incumbent."

Page 10, after line 4, insert:

"JOINT COMMITTEE ON REDUCTION OF NON-ESSENTIAL FEDERAL EXPENDITURES"

"For an amount to enable the Joint Committee on Reduction of Nonessential Federal Expenditures to carry out the duties imposed upon it by section 601 of the Revenue Act of 1941 (55 Stat. 726), to remain available during the existence of the committee, \$22,500, to be disbursed by the Secretary of the Senate."

Page 13, line 14, strike out "\$282,600" and insert "\$932,600."

Page 13, line 14, after "\$282,600" insert ", of which \$650,000 shall be available for construction of a combined sanitary-storm water sewer extending from the Additional Senate Office Building to the existing sewer crossing Constitution Avenue just west of New Jersey Avenue NW."

Page 13, after line 14, insert:

"Subway transportation, Capitol and Senate Office Buildings: For maintenance, repairs, and rebuilding of the subway transportation system connecting the Senate Office Building with the Capitol, including personal and other services, \$6,600."

Page 13, after line 14, insert:

"Senate Office Building: For maintenance, miscellaneous items and supplies, including furniture, furnishings, and equipment, and for labor and material incident thereto, and repairs thereof; for purchase of waterproof wearing apparel and for personal and other services; including five female attendants in charge of ladies' retiring rooms at \$1,800 each, for the care and operation of the Senate Office Building; to be expended under the control and supervision of the Architect of the Capitol; in all, \$1,248,600."

Page 13, after line 14, insert:

"Additional office building for the United States Senate"

"Construction and equipment of additional Senate Office Building: To enable the Architect of the Capitol, under the direction of the Senate Office Building Commission, to continue to provide for the construction and equipment of a fireproof office building for the use of the United States Senate, in accordance with the provisions of the Second Deficiency Appropriation Act, 1948 (62 Stat. 1029), \$5,250,000: *Provided*, That no part of the funds herein appropriated shall be obligated or expended for construction of the rear center wing of said building, from the ground floor up, provided for under the building plans heretofore approved by such Commission."

Page 16, line 18, strike out "\$5,300,000" and insert "\$5,310,593."

Page 17, line 13, strike out "\$1,475,000" and insert "\$1,487,100."

Page 20, after line 25, insert:

"The paragraph in the Legislative Appropriation Act 1954 (67 Stat. 330), establishing the Government Printing Office Revolving Fund is hereby amended by striking out the words '(except buildings and land)', where they occur, and inserting in lieu thereof 'and building appurtenances (except building structures and land)'."

Page 20, after line 25, insert:

"The Public Printer is authorized to provide for the improvement of electrical facilities and extension of air conditioning as necessary for the operation and maintenance of the Government Printing Office. The operation shall be financed from the revolving fund in accordance with provisions of law (44 U. S. C. 63; 63 Stat. 301, Aug. 1, 1955)."

Page 22, strike out all after line 4 over to and including line 12 on page 25 and insert:

"Sec. 105. (a) There is hereby established a House Recording Studio and a Senate Recording Studio.

"(b) The House Recording Studio shall assist Members of the House of Representatives in making disk, film, and tape recordings, and in performing such other functions and duties in connection with the making of such recordings as may be necessary. The Senate Recording Studio shall assist Members of the Senate and committees of the Senate in making disk, film, and tape recordings, and in performing such other functions and duties in connection with the making of such recordings as may be necessary. The House Recording Studio shall be for the exclusive use of Members of the House of Representatives (including the Delegates and the Resident Commissioner from Puerto Rico); the Senate Recording Studio shall be for the exclusive use of Members of the Senate, the Vice President, and committees of the Senate.

"(c) The House Recording Studio shall be operated by the Clerk of the House of Representatives under the direction and control of a committee which is hereby created (hereinafter referred to as the committee) composed of three Members of the House. Two members of the committee shall be from the majority party and one member shall be from the minority party, to be appointed by the Speaker. The committee is authorized to issue such rules and regulations relating to operation of the House Recording Studio as it may deem necessary.

"The Senate Recording Studio shall be operated by the Sergeant at Arms of the Senate under the direction and control of the Committee on Rules and Administration of the Senate. The Committee on Rules and Administration is authorized to issue such rules and regulations relating to operation of the Senate Recording Studio as it may deem necessary.

"(d) The Clerk of the House of Representatives shall, subject to the approval of the

committee, set the price of making disk, film, and tape recordings, and collect all moneys owed the House Recording Studio. The Committee on Rules and Administration of the Senate shall set the price of making disk, film, and tape recordings and all moneys owed the Senate Recording Studio shall be collected by the Sergeant at Arms of the Senate.

"(e) No moneys shall be expended or obligated for the House Recording Studio except as shall be pursuant to such regulations as the committee may approve. No moneys shall be expended or obligated by the Director of the Senate Recording Studio until approval thereof has been obtained from the Sergeant at Arms of the Senate.

"(f) The Clerk of the House of Representatives is authorized, subject to the approval of the committee, to appoint and fix the compensation of a Director of the House Recording Studio and such other employees as are deemed necessary to the operation of the House Recording Studio.

"(g) There is hereby established in the Treasury of the United States, a revolving fund within the contingent fund of the House of Representatives for the House Recording Studio for the purposes of administering the duties of that studio. There is also established in the Treasury of the United States, a revolving fund within the contingent fund of the Senate for the Senate Recording Studio for the purposes of administering the duties of that studio.

"(h) All moneys received by the House Recording Studio from Members of the House of Representatives for disk, film, or tape recordings, or from any other source, shall be deposited by the Clerk of the House of Representatives in the revolving fund established for the House Recording Studio by the preceding paragraph; moneys in such fund shall be available for disbursement therefrom by the Clerk of the House of Representatives for the care, maintenance, operation, and other expenses of the studio upon vouchers signed and approved in such manner as the committee shall prescribe. All moneys received by the Senate Recording Studio for disk, film, or tape recordings or from any other source, shall be deposited in the revolving fund established for the Senate Recording Studio by the preceding paragraph; moneys in such fund shall be available for disbursement therefrom upon vouchers signed and approved by the Sergeant at Arms for the care, maintenance, operation, and other expenses of the Senate Recording Studio.

"(i) (1) As soon as practicable after the date of enactment of this act but no later than September 30, 1956, the equity of the Joint Senate and House Recording Facility Revolving Fund shall be distributed equally to the Senate and House of Representatives on the basis of an audit to be made by the General Accounting Office.

"(2) The Sergeant at Arms of the Senate and the Clerk of the House of Representatives shall, subject to the approval of the committees mentioned in subsection (c) hereof, determine the assignment of existing studio facilities to the Senate and the House of Representatives, and also the existing equipment, materials, and supplies to be transferred to the respective studios. The evaluation of equipment, materials, and supplies transferred to each studio shall be on the basis of market value. Any other equipment, materials, and supplies determined to be obsolete or not needed for the operation of the respective studios shall be disposed of to the best interest of the Government and the proceeds thereof deposited in the Joint Senate and House Recording Facility Revolving Fund.

"(3) Accounts receivable, which on the effective date of liquidation, are due from Members and committees of the Senate shall be transferred to the Senate Studio, and those due from Members and committees of

the House of Representatives shall be transferred to the House Studio.

"(4) A sufficient reserve shall be set aside from the Joint Senate and House Recording Facility Revolving Fund to liquidate any outstanding accounts payable.

"(5) After appropriate adjustments for the value of assets assigned or transferred to the Senate and House of Representatives, respectively, the balance in the Joint Senate and House Recording Facility Revolving Fund shall be distributed equally to the Senate and House of Representatives for deposit to the respective revolving funds authorized by this section.

"(j) Pending acquisition of the stock, supplies, materials, and equipment necessary to properly equip both studios, the present services and facilities shall be made available to both studios in order that each studio may carry out its duty.

"(k) No person shall be an officer or employee of the House or Senate Recording Studio while he is engaged in any other business, profession, occupation, or employment which involves the performance of duties which are similar to those which would be performed by him as such an officer or employee of such studio unless approved in writing by the committee in the case of the House Recording Studio and the Senate Committee on Rules and Administration in the case of the Senate Recording Studio.

"(l) The Joint Recording Facility positions and salaries established pursuant to the Legislative Branch Appropriation Act, 1948, and all subsequent acts are hereby abolished.

"(m) Effective with the completion of the transfer provided for by subsection (i) hereof the joint resolution entitled 'Joint resolution establishing in the Treasury of the United States a revolving fund within the contingent fund of the House of Representatives,' approved August 7, 1953 (2 U. S. C., sec. 123), is repealed.

"(n) The Director of the House Recording Studio shall give bond to the Clerk of the House of Representatives with one or more sureties in the penal sum of \$20,000, with condition for the faithful performance of his duties and the preservation and security of all property in his care. The Director of the Senate Recording Studio shall give bond to the Sergeant at Arms of the Senate with one or more sureties in the penal sum of \$20,000, with condition for the faithful performance of his duties and the preservation and security of all property in his care.

"(o) Such sums as may be necessary to carry out the provisions of this section are hereby authorized to be appropriated."

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

The Senate amendments were concurred in.

A motion to reconsider was laid on the table.

Mr. NORRELL. Mr. Speaker, I ask unanimous consent to extend my remarks at this point on the Record and include a table and comments regarding it.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

Mr. NORRELL. Mr. Speaker, this bill, H. R. 11473, making appropriations for the legislative establishment for the fiscal year 1957, passed the House on May 29, 1956, carrying appropriations in the total amount of \$89,376,450. Following a custom of many years' standing, the bill at that time did not include appropriations for Senate items, but did pro-

vide for the Library of Congress, the Government Printing Office and other miscellaneous activities identified with the legislative branch.

The bill was reported by the Senate Committee on Appropriations on June 14 with increases recommended in the total amount of \$28,427,608, making a

total in the bill of \$117,804,058. The increase is, except for approximately \$23,000, entirely applicable to the Senate items. The bill passed the Senate on June 18 without any change in the total appropriations recommended by the Senate Committee on Appropriations. The bill, as now agreed to, appropriates

\$117,804,058, which amount is \$4,692,875 under the budget estimates.

In view of the discussion at the time the bill passed the Senate, I would like to insert at this time a table indicating a comparison between certain allowances made to Members of the Senate and Members of the House.

Compensation and allowances, Members of Congress

Item	Members of the House	Members of the Senate	Changes proposed for Senators in 1957 legislative bill
Compensation.....	\$22,500	\$22,500	
Mileage.....	1 round trip each regular session (20 cents per mile).	1 round trip each regular session (20 cents per mile).	
Stationery allowance.....	\$1,200 a year	\$1,800 a year	\$400 a year.
Stamps (airmail and special delivery).....	\$200 a year	\$300 a year	
Telephone (long distance).....	3,000 minutes a year.		
To and from Washington.....		Not to exceed 1,080 calls a year, involving not to exceed 5,400 minutes a year.	Not to exceed 1,440 calls a year, involving not to exceed 7,200 minutes a year.
Originating and terminating outside Washington plus additional for calls to and from Washington.		Not to exceed \$1,200 allowance a year.	
Telegrams.....	20,000 words a year, of which not to exceed 2,000 may be overseas cables.	No specified limit, except as provided by Rules and Administration Committee. Allowances are based on population and Western Union rates (details not available).	
Office space rental (home State).....	\$900 a year (not to exceed)	\$900 a year (not to exceed)	\$1,200 a year (not to exceed).
Office expenses (home State).....	\$150 quarterly (not to exceed)	\$150 quarterly (not to exceed)	
Trip home by office employees.....		One round trip a year, at 10 cents per mile, for not to exceed 2 employees.	
Clerk hire allowance.....	\$17,500 "basic" a year.	On basis of State Population. Basic amounts not presently available.	
Maximum number of clerks.....	Not to exceed 8.	No legal limit.	
Maximum salaries of clerks.....	One at not to exceed \$7,000 "basic" (\$12,131 a year).	One at maximum rate of classification act (presently, \$14,800); 1 at basic of \$8,400 (gross of \$14,301); others at not to exceed \$5,100 basic (gross of \$9,292).	In addition, 1 at \$8,040 basic (gross of \$13,677).

NOTE.—Item under Senate contingent fund, "Communications," provides up to \$150 a year for each Senator for telephone or telegrams under certain conditions the details of which are not clear.

I realize that there is considerable sentiment on the part of many House Members to bring certain of these allowances more in line than they are at present.

The amendments just agreed to provide for, among other things, the dissolution of the Joint Recording Facility and the creation of separate facilities for the House and Senate. There seems to be a preponderance of opinion on both sides of the Capitol that better service and satisfaction will result from this change.

Finally, in connection with the Government Printing Office provision is made for broadening the use of the Government Printing Office revolving fund in order that certain repairs and improvements can be made in the physical plant.

NARCOTIC CONTROL ACT OF 1956

Mr. COOPER. Mr. Speaker, by direction of the Committee on Ways and Means, I ask unanimous consent for the immediate consideration of the bill (H. R. 11619) to amend the Internal Revenue Code of 1954 and the Narcotic Drugs Import and Export Act to provide for a more effective control of narcotic drugs and marihuana, and for other purposes, which was unanimously reported favorably by the Committee on Ways and Means.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That this act may be cited as the "Narcotic Control Act of 1956."

SEC. 2. Unlawful acquisition, etc., of marihuana.

Subsection (a) of section 4744 of the Internal Revenue Code of 1954 (unlawful acquisition of marihuana) is amended to read as follows:

"(a) Persons in general: It shall be unlawful for any person who is a transferee required to pay the transfer tax imposed by section 4741 (a)—

"(1) to acquire or otherwise obtain any marihuana without having paid such tax, or

"(2) to transport or conceal, or in any manner facilitate the transportation or concealment of, any marihuana so acquired or obtained.

Proof that any person shall have had in his possession any marihuana and shall have failed, after reasonable notice and demand by the Secretary or his delegate, to produce the order form required by section 4742 to be retained by him shall be presumptive evidence of guilt under this subsection and of liability for the tax imposed by section 4741 (a)."

SEC. 3. Unlawful transportation of marihuana.

Subsection (b) of section 4755 of the Internal Revenue Code of 1954 (unlawful transportation of marihuana) is amended to read as follows:

"(b) Transportation: Except as otherwise provided in this subsection, it shall be unlawful for any person to send, ship, carry, transport, or deliver any marihuana within any Territory, the District of Columbia, or any insular possession of the United States, or from any State, Territory, the District of Columbia, or any insular possession of the United States into any other State, Territory, the District of Columbia, or insular possession of the United States. Nothing contained in this subsection shall apply—

"(1) to any person who shall have registered and paid the special tax as required by sections 4751 to 4753, inclusive;

"(2) to any common carrier engaged in transporting marihuana;

"(3) to any employee acting within the scope of his employment for any person who shall have registered and paid the special tax as required by sections 4751 to 4753, inclusive, or to any contract carrier or other agent acting within the scope of his agency for such registered person;

"(4) to any person who shall deliver marihuana which has been prescribed or dispensed by a physician, dentist, veterinary surgeon, or other practitioner registered under section 4753 and employed to prescribe for the particular patient receiving such marihuana;

"(5) to any person carrying marihuana which has been obtained by the person from a registered dealer in pursuance of a written prescription referred to in section 4742 (b) (2), issued for legitimate medical uses by a physician, dentist, veterinary surgeon, or other practitioner registered under section 4753, if the bottle or other container in which such marihuana is carried bears the name and registry number of the druggist, serial number of prescription, name and address of the patient, and name, address, and registry number of the person issuing such prescription;

"(6) to any person carrying marihuana which has been obtained by the person as a patient from a registered physician, dentist, or other practitioner in the course of his professional practice if such marihuana is dispensed to the patient for legitimate medical purposes; or

"(7) to any United States, State, county, municipal, District, Territorial, or insular officer or official acting within the scope of his official duties."

SEC. 4. Violations of narcotic drug and marihuana laws.

Section 7237 of the Internal Revenue Code of 1954 (violations of laws relating to narcotic drugs and marihuana) is amended to read as follows:

"SEC. 7237. Violation of laws relating to narcotic drugs and to marihuana.

"(a) Where no specific penalty is otherwise provided: Whoever commits an offense,

or conspires to commit an offense, described in part I or part II of subchapter A of chapter 39 for which no specific penalty is otherwise provided, shall be imprisoned not less than 2 or more than 10 years and, in addition, may be fined not more than \$20,000. For a second offense, the offender shall be imprisoned not less than 5 or more than 20 years and, in addition, may be fined not more than \$20,000. For a third or subsequent offense, the offender shall be imprisoned not less than 10 or more than 40 years and, in addition, may be fined not more than \$20,000.

"(b) Sale or other transfer without written order: Whoever commits an offense, or conspires to commit an offense, described in section 4705 (a) or section 4742 (a) shall be imprisoned not less than 5 or more than 20 years and, in addition, may be fined not more than \$20,000. For a second or subsequent offense, the offender shall be imprisoned not less than 10 or more than 40 years and, in addition, may be fined not more than \$20,000. If the offender attained the age of 18 before the offense and—

"(1) the offense consisted of the sale, barter, exchange, giving away, or transfer of any narcotic drug or marihuana to a person who had not attained the age of 18 at the time of such offense, or

"(2) the offense consisted of a conspiracy to commit an offense described in paragraph (1),

the offender shall be imprisoned not less than 10 or more than 40 years and, in addition, may be fined not more than \$20,000.

"(c) Conviction of second or subsequent offense:

"(1) Prior offenses counted: For purposes of subsections (a), (b), and (d) of this section, subsections (c) and (h) of section 2 of the Narcotic Drugs Import and Export Act, as amended (21 U. S. C., sec. 174), and the act of July 11, 1941, as amended (21 U. S. C., sec. 184a), an offender shall be considered a second or subsequent offender, as the case may be, if he previously has been convicted of any offense the penalty for which was provided in subsection (a) or (b) of this section or in—

"(A) subsection (c) or (h) of section 2 of the Narcotic Drugs Import and Export Act (21 U. S. C., sec. 174);

"(B) the act of July 11, 1941 (21 U. S. C., sec. 184a);

"(C) section 9 of the act of December 17, 1914 (38 Stat. 789);

"(D) section 1 of the act of May 26, 1922 (42 Stat. 596);

"(E) section 12 of the Marihuana Tax Act of 1937 (50 Stat. 556); or

"(F) section 2557 (b) (1) or 2596 of the Internal Revenue Code of 1939.

For purposes of determining prior offenses under the preceding sentence, a reference to any subsection, section, or act providing a penalty for an offense shall be considered as a reference to such subsection, section, or act as in effect (as originally enacted or as amended, as the case may be) with respect to the offense for which the offender previously has been convicted.

"(2) Procedure. After conviction (but before pronouncement of sentence) of any offense the penalty for which is provided in subsection (a) or (b) of this section, subsection (c) or (h) of section 2 of the Narcotic Drugs Import and Export Act, as amended, or such act of July 11, 1941, as amended, the court shall be advised by the United States attorney whether the conviction is the offender's first or a subsequent offense. If it is not a first offense, the United States attorney shall file an information setting forth the prior convictions. The offender shall have the opportunity in open court to affirm or deny that he is identical with the person previously convicted. If he denies the identity, sentence shall be postponed for such time as to permit a trial before a jury on the sole issue

of the offender's identity with the person previously convicted. If the offender is found by the jury to be the person previously convicted, or if he acknowledges that he is such person, he shall be sentenced as prescribed in subsection (a) or (b) of this section, subsection (c) or (h) of such section 2, or such act of July 11, 1941, as amended, as the case may be.

"(d) No suspension of sentence; no probation; etc. Upon conviction—

"(1) of any offense the penalty for which is provided in subsection (b) of this section, subsection (c) or (h) of section 2 of the Narcotic Drugs Import and Export Act, as amended, or such act of July 11, 1941, as amended, or

"(2) of any offense the penalty for which is provided in subsection (a) of this section, if it is the offender's second or subsequent offense,

the imposition or execution of sentence shall not be suspended, probation shall not be granted, section 4202 of title 18 of the United States Code shall not apply, and the act of July 15, 1932 (47 Stat. 696; D. C. Code 24-201 and following), as amended, shall not apply.

"(e) Use of Communications Facilities:

"(1) Penalties: Whoever uses any communication facility in committing or in causing or facilitating the commission of, or in attempting to commit, any act or acts constituting an offense or a conspiracy to commit an offense the penalty for which is provided in—

"(A) subsection (a) or (b) of this section,

"(B) subsection (c) or (h) of section 2 of the Narcotic Drugs Import and Export Act (21 U. S. C., sec. 174), or

"(C) the act of July 11, 1941 (21 U. S. C., sec. 184a),

shall be imprisoned not less than 2 nor more than 5 years and, in addition, may be fined not more than \$5,000. Each separate use of a communication facility shall be a separate offense under this paragraph.

"(2) Communication facility defined: For purposes of this subsection, the term 'communication facility' means any and all public and private instrumentalities used or useful in the transmission of writings, signs, signals, pictures, and sounds of all kinds by mail, telephone, wire, radio, or other means of communication.

"(f) Unlawful disclosure of information on returns and order forms: Any person who shall disclose the information contained in the statements or returns required under section 4732 (b) or 4754 (a), in the duplicate order forms required under section 4705 (e), or in the order forms or copies thereof referred to in section 4742 (d), except—

"(1) as expressly provided in section 4773,

"(2) for the purpose of enforcing any law of the United States relating to narcotic drugs or marihuana, or

"(3) for the purpose of enforcing any law of any State or Territory or the District of Columbia, or any insular possession of the United States, or ordinance of any organized municipality therein, regulating the sale, prescribing, dispensing, dealing in, or distribution of narcotic drugs or marihuana.

shall be fined not more than \$2,000 or imprisoned not more than 5 years or both."

Sec. 5. Immunity of witnesses; appeal from order to suppress evidence or return property.

(a) In General: Subchapter E of chapter 76 of the Internal Revenue Code of 1954 (relating to judicial proceedings) is amended by adding at the end thereof the following new section:

"Sec. 7494. Special provisions relating to narcotic drugs and marihuana

"(a) Immunity of witnesses: Whenever in the judgment of a United States attorney the testimony of any witness, or the pro-

duction of books, papers, or other evidence by any witness, in any case or proceeding before any grand jury or court of the United States involving any violation of—

"(1) any provision of part I or part II of subchapter A of chapter 39 the penalty for which is provided in subsection (a) or (b) of section 7237,

"(2) subsection (c) or (h) of section 2 of the Narcotic Drugs Import and Export Act, as amended (21 U. S. C., sec. 174), or

"(3) the act of July 11, 1941, as amended (21 U. S. C., sec. 184a),

is necessary to the public interest, he, upon the approval of the Attorney General, shall make application to the court that the witness shall be instructed to testify or produce evidence subject to the provisions of this subsection, and upon order of the court such witness shall not be excused from testifying or from producing books, papers, or other evidence on the ground that the testimony or evidence required of him may tend to incriminate him or subject him to a penalty or forfeiture. But no such witness shall be prosecuted or subjected to any penalty or forfeiture for or on account of any transaction, matter, or thing concerning which he is compelled, after having claimed his privilege against self-incrimination, to testify or produce evidence, nor shall testimony so compelled be used as evidence in any criminal proceeding (except prosecution described in the next sentence) against him in any court. No witness shall be exempt under this subsection from prosecution for perjury or contempt committed while giving testimony or producing evidence under compulsion as provided in this subsection.

"(b) Appeal from order to suppress evidence or return property: In addition to any other right to appeal the United States shall have the right to appeal from an order granting a motion for the return of seized property and to suppress evidence made before the trial of a person charged with a violation of—

"(1) any provision of part I or part II of subchapter A of chapter 39 the penalty for which is provided in subsection (a) or (b) of section 7237,

"(2) subsection (c) or (h) of section 2 of the Narcotic Drugs Import and Export Act, as amended (21 U. S. C., sec. 174), or

"(3) the act of July 11, 1941, as amended (21 U. S. C., sec. 184a).

This subsection shall not apply with respect to any such motion unless the United States attorney shall certify, to the judge granting such motion, that the appeal is not taken for purposes of delay. Any appeal under this subsection shall be taken within 30 days after the date the order was entered and shall be diligently prosecuted."

(b) Amendment of table of sections: The table of sections for subchapter E of chapter 76 is amended by adding at the end thereof the following:

"Sec. 7494. Special provisions relating to narcotic drugs and marihuana."

Sec. 6. Discovery of liability; enforcement.

(a) In general: Subchapter A of chapter 78 of the Internal Revenue Code of 1954 (discovery of liability and enforcement of title) is amended by renumbering section 7607 as section 7608 and by inserting after section 7606 the following new section:

"Sec. 7607. Special provisions relating to narcotic drugs and marihuana.

"(a) Powers of Bureau of Narcotics: The Commissioner, Deputy Commissioner, Assistant to the Commissioner, and agents, of the Bureau of Narcotics of the Department of the Treasury may—

"(1) carry firearms, execute and serve search warrants and arrest warrants, and serve subpoenas and summonses issued under the authority of the United States, and

"(2) make arrests without warrant for violations of any law of the United States relat-

ing to narcotic drugs (as defined in section 4731) or marihuana (as defined in section 4761) where the violation is committed in the presence of the person making the arrest or where such person has reasonable grounds to believe that the person to be arrested has committed or is committing such violation.

"(b) Issuance of search warrants: In any case involving a violation of any provision of part I or part II of subchapter A of chapter 39 the penalty for which is provided in subsection (a) or (b) of section 7237, a violation of subsection (c) or (h) of section 2 of the Narcotic Drugs Import and Export Act, as amended (21 U. S. C., sec. 174), or a violation of the act of July 11, 1941, as amended (21 U. S. C., sec. 184a) —

"(1) a search warrant may be served at any time of the day or night if the judge or the United States Commissioner issuing the warrant is satisfied that there is probable cause to believe that the grounds for the application exist, and

"(2) a search warrant may be directed to any officer of the Metropolitan Police of the District of Columbia authorized to enforce or assist in enforcing a violation of any of such provisions."

(b) Amendment of table of sections: The table of sections for subchapter A of chapter 78 is amended by striking out.

"Sec. 7607. Cross references."

and inserting in lieu thereof

"Sec. 7607. Special provisions relating to narcotic drugs and marihuana.

"Sec. 7608. Cross references."

Sec. 7. Importation, etc., of Narcotic Drugs.

Section 2 (c) of the Narcotic Drugs Import and Export Act, as amended (U. S. C., title 21, sec. 174), is amended to read as follows:

"(c) Whoever fraudulently or knowingly imports or brings any narcotic drug into the United States or any territory under its control or jurisdiction, contrary to law, or receives, conceals, buys, sells, or in any manner facilitates the transportation, concealment, or sale of any such narcotic drug after being imported or brought in, knowing the same to have been imported or brought into the United States contrary to law, or conspires to commit any of such acts in violation of the laws of the United States, shall be imprisoned not less than 5 or more than 20 years and, in addition, may be fined not more than \$20,000. For a second or subsequent offense (as determined under section 7237 (c) of the Internal Revenue Code of 1954), the offender shall be imprisoned not less than 10 or more than 40 years and, in addition, may be fined not more than \$20,000.

"Whenever on trial for a violation of this subsection the defendant is shown to have or to have had possession of the narcotic drug, such possession shall be deemed sufficient evidence to authorize conviction unless the defendant explains the possession to the satisfaction of the jury.

"For provision relating to sentencing, probation, etc., see section 7237 (d) of the Internal Revenue Code of 1954."

Sec. 8. Smuggling of marihuana.

Section 2 of the Narcotic Drugs Import and Export Act, as amended, is amended by adding at the end thereof the following:

"(h) Notwithstanding any other provision of law, whoever, knowingly, with intent to defraud the United States, imports or brings into the United States marihuana contrary to law, or smuggles or clandestinely introduces into the United States marihuana which should have been invoiced, or receives, conceals, buys, sells, or in any manner facilitates the transportation, concealment, or sale of such marihuana after being imported or brought in, knowing the same to have been imported or brought into the United States contrary to law, or whoever

conspires to do any of the foregoing acts, shall be imprisoned not less than 5 or more than 20 years and, in addition, may be fined not more than \$20,000. For a second or subsequent offense (as determined under section 7237 (c) of the Internal Revenue Code of 1954), the offenders shall be imprisoned for not less than 10 or more than 40 years and, in addition, may be fined not more than \$20,000.

"Whenever on trial for a violation of this subsection, the defendant is shown to have or to have had the marihuana in his possession, such possession shall be deemed sufficient evidence to authorize conviction unless the defendant explains his possession to the satisfaction of the jury.

"As used in this subsection, the term 'marihuana' has the meaning given to such term by section 4761 of the Internal Revenue Code of 1954.

"For provision relating to sentencing, probation, etc., see section 7237 (d) of the Internal Revenue Code of 1954."

Sec. 9. Unlawful possession of narcotic drugs and marihuana on vessels.

(a) In general: Subsection (a) of the first section of the act of July 11, 1941 (21 U. S. C., sec. 184a), is amended by striking out "fined not more than \$5,000 or be imprisoned for not more than 5 years, or both," and inserting in lieu thereof "imprisoned not less than 5 or more than 20 years and, in addition, may be fined not more than \$20,000. For a second or subsequent offense (as determined under section 7237 (c) of the Internal Revenue Code of 1954), the offender shall be imprisoned not less than 10 or more than 40 years and, in addition, may be fined not more than \$20,000. For provision relating to sentencing, probation, etc., see section 7237 (d) of the Internal Revenue Code of 1954."

(b) Correction of reference: Subsection (b) of such section is amended by striking out "chapter 23 of the Internal Revenue Code, as amended," and inserting in lieu thereof "subchapter A of chapter 39 of the Internal Revenue Code of 1954."

Sec. 10. Territorial extent of law.

Section 4774 of the Internal Revenue Code of 1954 (territorial extent of certain laws relating to narcotic drugs and marihuana) is amended by adding at the end thereof the following: "On and after the effective date of the Narcotic Control Act of 1956, the provisions referred to in the preceding sentence shall not apply to the Commonwealth of Puerto Rico unless the Legislative Assembly of the Commonwealth of Puerto Rico expressly consents thereto in the manner prescribed in the constitution of the Commonwealth of Puerto Rico for the enactment of a law."

Sec. 11. Effective date.

The amendments made by this act shall take effect on the day following the date of enactment of this act.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

Mr. COOPER. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the Record.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

Mr. COOPER. Mr. Speaker, H. R. 11619 embodies the recommendations of the Subcommittee on Narcotics of the Committee on Ways and Means. This subcommittee conducted hearings in various cities throughout the country and reviewed all problems relating to

narcotic addiction as well as the abuse of barbiturates and amphetamines.

At this point I would like to commend very highly the excellent work of the Subcommittee on Narcotics under the chairmanship of Hon. HALE BOGGS, of Louisiana. This is the most complete review of the illicit traffic in drugs which has ever been conducted by the Committee on Ways and Means. The subcommittee worked very diligently; and, in my opinion, the recommendations which are embodied in H. R. 11619 will greatly strengthen the efforts of Federal enforcement officials and Federal judges in combating the illicit traffic in narcotics and marihuana.

Hon. HALE BOGGS, as chairman of the Subcommittee on Narcotics, introduced H. R. 11619 carrying out the recommendations of his subcommittee. Hon. HOWARD BAKER, of Tennessee, introduced an identical bill, H. R. 11620. The subcommittee decided against recommending that barbiturates and amphetamines be subjected to regulatory taxation and penalties similar to those applicable to narcotics and marihuana. The subcommittee recommended that barbiturates and amphetamines be subjected to more stringent Federal control by the device of registration of persons dealing in these drugs. This, of course, would have to be undertaken through the power of the Federal Government to regulate interstate commerce.

Mr. Boggs, as chairman of the subcommittee, and Hon. JOHN W. BYRNES, of Wisconsin, as a member of the subcommittee, introduced identical bills carrying out these recommendations, which bills were referred to the House Committee on Interstate and Foreign Commerce. It is my hope that that committee will act favorably on these bills.

NARCOTIC CONTROL ACT OF 1956

Section 1 of H. R. 11619 states that the act may be cited as the "Narcotic Control Act of 1956."

VENUE IN MARIHUANA CASES

The Bureau of Narcotics has encountered difficulty in prosecuting persons who have been apprehended violating the marihuana laws due to the fact that venue lies in the jurisdiction where the marihuana is acquired or obtained without having paid the required tax. Section 2 of the bill provides that it will be an offense to transport or conceal marihuana and therefore will provide venue in the jurisdiction where violators are apprehended.

UNLAWFUL TRANSPORTATION OF MARIHUANA

Section 3 of the bill broadens the application of section 4755 of the Internal Revenue Code of 1954 to make it unlawful for any person to send, carry, or otherwise transport marihuana. At the present time section 4755 is applicable only to persons who shall not have paid the special tax and registered pursuant to law. Exceptions from the amended provisions would be provided for certain persons and their employees such as registrants.

PENALTIES

Under present law the penalties contained in the Internal Revenue Code provide for a minimum mandatory sentence

of 2 years for a first offender with a permissive maximum up to 5 years. A second offender is subject to a minimum mandatory sentence of 5 years with a permissive sentence up to 10 years. A third and subsequent offender is subject to a minimum mandatory sentence of 10 years with a permissive maximum up to 20 years. No distinction is made in present law as between a possessor and a trafficker. Present law also provides a mandatory fine for all offenses of up to \$2,000. In the case of first offenders, probation and suspension of sentence is permitted. This is not true in the case of second and subsequent offenders.

The bill, in section 4, provides for increased penalties for violations of the narcotic and marihuana laws. In the case of possessors, the same minimum mandatory sentences would be applied under the bill as in present law. The bill raises the permissive maximum sentences from 5 to 10 years in the case of a first offender, 10 to 20 years in the case of a second offender, and 20 to 40 years in the case of a third and subsequent offender. The bill also provides for a discretionary fine for all offenses of up to \$20,000.

A distinction would be made between the possessors and traffickers. Traffickers would be subject to a minimum mandatory sentence of 5 years and a permissive maximum sentence of up to 20 years. Second and subsequent offenders would be subject to a minimum mandatory sentence of 10 years with a permissive maximum sentence of up to 40 years. An adult who sells or otherwise furnishes a minor (a person under the age of 18) marihuana or narcotics, would be subject to a minimum mandatory sentence of 10 years with a permissive maximum sentence up to 40 years.

Probation, suspension of sentence, and parole would be permitted only in the case of a first offender possessor.

The bill would make the Federal law applicable to the District of Columbia in lieu of the present indeterminate sentences.

The bill adds a new provision to the Internal Revenue Code, making it an offense for any person to use any communication facility in committing a violation of the narcotic and marihuana laws. Such violations would be subject to a minimum mandatory sentence of 2 years with a permissive maximum sentence of up to 5 years. In addition, a discretionary fine of up to \$5,000 could be imposed.

Section 4 of the bill also amends present provisions relating to the unlawful disclosure of information on returns and order forms by Federal Government personnel. At the present time these offenses are subject to the schedule of penalties which are provided for other narcotic and marihuana violations.

The bill would amend these penalties to provide that such an offender would be subject to imprisonment of not more than 5 years, a mandatory fine of not more than \$2,000, or both.

As a practical matter, it is inconceivable that such a violator would be retained in the Federal service; therefore, there would appear to be no reason to

have a schedule of penalties based on the number of offenses committed.

IMMUNITY OF WITNESSES AND APPEAL FROM AN ORDER TO SUPPRESS EVIDENCE OR RETURN PROPERTY

Section 5 of the bill would add a new provision to the Internal Revenue Code providing that a United States attorney who feels that the testimony and other evidence of a witness is necessary in the public interest may, upon the approval of the Attorney General, apply to the court, requesting that the witness be instructed to testify or produce evidence. If a court order is granted to this effect, the witness cannot be excused on the grounds that such testimony or evidence may tend to incriminate him. Such a witness would be provided with immunity from prosecution based on such testimony or evidence as he may give under compulsion.

At the present time there is a divergence in the courts in the granting of motion to return seized property and to suppress evidence, and the Government cannot appeal from such an order. The bill would give the Government the right to appeal.

ENFORCEMENT

The bill would specify that personnel of the Bureau of Narcotics may carry firearms, execute and serve search warrants and arrest warrants, and serve subpoenas and summonses issued under the authority of the United States.

Where violations of the narcotic or marihuana laws are committed in the presence of Bureau personnel or where such personnel has reasonable grounds to believe that a person to be arrested has committed or is committing such violations, the Bureau personnel would be permitted to make arrests without a warrant.

The bill also provides in section 6 that a search warrant may be served at any time of the day or night if the judge or Commissioner issuing the warrant is satisfied that there is probable cause to believe that the grounds for the application exist. This eliminates the present stringent rule of positiveness in the affidavit which now requires evidence that the narcotic drugs sought to be taken under the warrant are in the premises to be searched.

Metropolitan police officers of the District of Columbia would be permitted to receive and execute search warrants issued pursuant to the general laws of the United States. As the present time these officers are not considered to be civil officers of the United States.

IMPORTATION, ETC., OF NARCOTIC DRUGS

Section 7 would provide the same penalties as are provided in section 4 for traffickers for violations of the Narcotic Drugs Import and Export Act. At the present time violations of this act call for the same penalties as now provided for violations of the Internal Revenue laws relating to narcotics and marihuana.

SMUGGLING OF MARIHUANA

At the present time smuggling of marihuana is punished under the general smuggling laws of the United States. Section 8 of the bill would amend the Narcotic Drugs Import and Export Act

so as to provide a specific penalty for the smuggling of marihuana. The penalties would be the same as are provided in section 4 for traffickers.

UNLAWFUL POSSESSION OF NARCOTIC DRUGS AND MARIHUANA ON VESSELS

At the present time unlawful possession of narcotic drugs and marihuana on vessels is punished by a fine of not more than \$5,000, imprisonment for not more than 5 years, or both. The bill would amend these penalties so as to provide the same penalties as contained in section 4 for traffickers.

TERRITORIAL EXTENT OF THE LAW

Section 10 of the bill amends section 4774 of the Internal Revenue Code of 1954 so as to clarify the territorial extent of the provisions referred to in section 4774 so that on and after the effective date of H. R. 11619 these provisions would not be applicable to the Commonwealth of Puerto Rico unless the Legislative Assembly of the Commonwealth expressly consents thereto in the manner prescribed in the constitution of the Commonwealth for the enactment of a law.

EFFECTIVE DATE

H. R. 11619 would be effective on the day following the date of enactment.

Mr. Speaker, as long as we have one drug addict in the United States, we will have a very serious social problem. I believe that enactment of H. R. 11619 will be very instrumental in combating the illicit traffic in narcotics and marihuana and will be a big step toward the day which we all hope for when we will be able to completely eliminate this blight from our society.

Mr. REED of New York. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. REED of New York. Mr. Speaker, H. R. 11619 incorporates the recommendations of the Subcommittee on Narcotics of the Committee on Ways and Means. The subcommittee held 15 days of public hearings in Washington, D. C.; Lexington, Ky.; New York City, N. Y.; San Francisco, Calif.; Seattle, Wash.; and Chicago, Ill. In its investigation and study, the subcommittee received the complete cooperation of the Departments of the Treasury, Defense, Justice, and Health, Education, and Welfare. The staff of the Bureau of Narcotics was particularly helpful to the subcommittee in its work.

The various technical provisions of the bill before us have already been explained in considerable detail. In general, the bill provides more severe penalties for violations; authorizes Federal enforcement officials to perform certain functions necessary to the apprehension of violators; improves the venue provisions of the present marihuana law; and makes available to Federal enforcement officials certain enforcement procedure not presently available.

This bill was reported unanimously by the Committee on Ways and Means. It has as its objective the eradication of one of the most serious social problems con-

fronting the American people today—the illicit trafficking in narcotic drugs and marihuana and their illegal uses.

This evil commerce in narcotic drugs and marihuana has devastated the lives of thousands of addicts and has deprived the affected communities and the nation of what otherwise would have been the addict's useful contribution to society. The existence of drug addiction has been described as a "social malignancy" because of the manner in which this dread affliction breeds its own furtherance and destroys those who fall victims of its compulsion.

A current estimate by the Federal Bureau of Narcotics of the number of persons addicted to drugs in the United States indicates there about 60,000 addicts, or an incidence of about 1 for each 3,000 population. It has been estimated that the high cost of illicit drugs requires that an addict spends from \$50 to \$100 per week to maintain his addiction. The average addict spends approximately \$10 a day for narcotics and with an estimated 60,000 addicts in this country, approximately \$600,000 is spent daily and \$219 million annually for drugs obtained through illicit sources.

Mr. Speaker, the minority members of the Committee on Ways and Means were represented on the narcotics subcommittee by my distinguished colleagues, Representative BYRNES of Wisconsin, Representative SADLAK of Connecticut, and Representative BAKER of Tennessee. I believe that the House should know that each of these minority Members has introduced legislation designed to implement the recommendations of the subcommittee. Again, I would like to emphasize that the pending bill was reported unanimously by the Committee on Ways and Means.

Mr. BOGGS. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

Mr. BOGGS. Mr. Speaker, I would like to commend the distinguished chairman of the Committee on Ways and Means for the able explanation of the provisions of the bill under consideration in this distinguished body today, H. R. 11619. It has been the chairman's leadership in the committee that has made such an important contribution to the development of this legislation designed to eradicate the illicit trafficking in the narcotics and marihuana.

In the closing days of the 1st session of the 84th Congress, Chairman COOPER appointed a Subcommittee on Narcotics on which it has been my privilege to serve as chairman. My colleagues on the subcommittee were the Honorable FRANK M. KARSTEN; EUGENE J. MCCARTHY; FRANK IKARD; JOHN W. BYRNES, of Wisconsin; ANTONI N. SADLAK; and HOWARD H. BAKER.

The principal purpose of the subcommittee was to determine the effect of Public Law 255 of the 82d Congress on the illicit traffic in narcotics. The subcommittee also obtained information and testimony on the barbiturate and amphetamine problem to determine the

need for subjecting barbiturates and amphetamines to a type of control similar to that now applicable to narcotics.

The subcommittee in its work conducted 15 days of public hearings in Washington, D. C.; Lexington, Ky.; New York, N. Y.; San Francisco, Calif.; Seattle, Wash.; and Chicago, Ill. In addition, the subcommittee met several times in executive session to carefully consider the results of its investigation and to formulate its recommendations to the Committee on Ways and Means. The legislation before the House is the result of that subcommittee's work and the efforts of the full Committee on Ways and Means. My subcommittee colleagues, the Honorable JOHN BYRNES of Wisconsin, and the Honorable HOWARD H. BAKER, of Tennessee, have also sponsored legislation dealing with the narcotic and marihuana problem. Mr. BYRNES' bill was H. R. 11107, Mr. BAKER's bills were H. R. 11155 and H. R. 11620.

During the public hearings conducted by the subcommittee, testimony was received from 108 witnesses including Federal, State, and local officials, medical and pharmaceutical groups, civic organizations, and interested individuals. In addition, a considerable amount of pertinent information was submitted to the committee for the record which has been carefully studied by the Subcommittee on Narcotics.

In the case of narcotics and marihuana the testimony pertained to the scope and operation of present law with its related effects on addiction, recidivism, probation, and suspension of sentence. A study was made of the trends in addiction with particular reference to the age of addicts. Trends in violations and sentences for a period of time before and after the enactment of Public Law 255 of the 82d Congress were also studied. It will be recalled that Public Law 255 for the first time imposed minimum mandatory sentences for narcotic violators. The subcommittee also considered recommendations as to the use of wiretapping in narcotic cases, cooperation by the Federal, State, and local narcotic officials, and other related views concerned with the narcotic problem. The printed record of the activity of the Subcommittee on Narcotics is set forth in the hearings of 1,633 pages and a subcommittee report of 33 pages.

The legislative record of the Subcommittee on Narcotics is represented by H. R. 11619. I am confident that with favorable consideration by the Congress of this legislation, the accomplishment record of the subcommittee will reflect a substantial curtailment in the illicit trafficking in narcotics and marihuana.

During the course of the hearings about the country, I believe the subcommittee membership was particularly impressed by three principal points. These are: First, the terrible nature of drug addiction, its destructive consequences on the individual, and its pestilential effect upon society; second, the difficulty encountered by enforcement officials under present law in effectively bringing about the apprehension of narcotic violators and obtaining their conviction in the courts; and, third, the fact that in judicial districts where the judges have

a record of imposing severe sentences for narcotic violations, the traffic has either disappeared or is waning, and in judicial districts where leniency with respect to narcotic violators is the pattern in the courts, the illicit traffic is flourishing.

H. R. 11619 is designed to cope with these three impressions that were derived by the subcommittee during its study of this subject. Drug addiction is not a disease, but is a symptom of a mental or psychiatric disorder. Convincing testimony was presented to the Subcommittee on Narcotics that the most effective way of eliminating addiction was through the eradication of the illicit trafficking in drugs. By eliminating this unlawful traffic, we will be drying up the source of supply available to present addicts and will be greatly diminishing the likelihood of the creation of new addicts.

To accomplish the end of removing the illicit traffic from our midst, it was concluded by the Subcommittee on Narcotics, and by the Committee on Ways and Means, that improvements in present law relating to enforcement were necessary. Accordingly, H. R. 11619 will provide for, first, authorization for more effective searches and seizures in narcotic cases; second, authority for Federal agents to carry firearms, to execute and serve warrants, and to make arrests without warrants for narcotic violations under certain circumstances; third, a statutory method to grant immunity to witnesses in cases involving a violation of the narcotic or marihuana laws; fourth, the United States to have the right of appeal from certain court orders granting a defendant a motion to suppress evidence or to return seized property; and fifth, the strengthening of the applicable venue provisions so that venue in marihuana cases would lie within the jurisdiction in which a trafficker was apprehended as well as in the jurisdiction of acquisition.

Effective steps to eliminate the unlawful drug traffic requires not only vigorous enforcement but also the imposition of severe punishment by the courts. Prior to the enactment of the so-called Boggs Act in the 82d Congress, the average narcotics sentence was 18 months. At the present time the average narcotics sentence is 43 months. While the imposition of heavier sentences has done much to reduce the existence of repeat narcotic law offenders, there is a growing occurrence of hoodlums being recruited as drug traffickers. This arises from the fact that many courts have granted probation or suspended sentences in the case of drug violators with no record of previous drug convictions. H. R. 11619 would correct this problem by denying the trafficker the opportunity for probation, suspension of sentence, or parole.

With respect to the trafficker, the minimum mandatory sentences would be increased from 2 years to 5 years for the first offense, and not less than 10 years for a second or subsequent offense. Maximum sentences would be increased to 20 years and 40 years, respectively, for first offenses, and for second and subsequent offenses.

The increased penalties that are set forth in H. R. 11619, as described by the distinguished chairman of the Committee on Ways and Means, are fully warranted by the reprehensible nature of the crime of abetting drug addiction by engaging in the illicit narcotic and marihuana traffic. In the past, the problems encountered by Federal enforcement officials in the fulfillment of their responsibilities have been aggravated by the early return of violators to the drug traffic. These Federal enforcement officials have found that by the time a gang of drug violators was apprehended, the case processed through the courts, and violators sentenced, a previous gang that had gone through the same procedure was out of prison and had returned to the illicit drug traffic.

Therefore, Mr. Speaker, it is imperative that the Congress act as promptly as possible to enact legislation that will aid in the enforcement of our narcotic and marihuana laws, and that will severely punish those individuals who are determined to be violators of these laws. H. R. 11619 would accomplish these objectives. It is for that reason that I support the enactment of this important legislation and urge my esteemed colleagues in the House to join me in this purpose.

As chairman of the Subcommittee on Narcotics of the Committee on Ways and Means, I would like to express my appreciation to the many public officials and private citizens who cooperated with the subcommittee in its work. These people have selflessly lent their time and energies to the successful completion of the subcommittee's assigned task. I would particularly like to express my personal gratitude to the Commissioner of Narcotics, the Honorable H. J. Anslinger. Also deserving of special appreciation is Mr. Henry J. Giordano, who served the subcommittee as chief investigator, and who came to us on loan from the Bureau of Narcotics. Mr. Giordano worked in an extremely effective manner with the subcommittee in all phases of its work.

Mr. BOGGS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

Mr. BOGGS. Mr. Speaker, the House has just passed by unanimous consent a very comprehensive narcotics bill. This bill had been reported unanimously by the Ways and Means Committee by a vote of 25 to nothing. In my opinion, and in the opinion of the subcommittee which worked on this legislation for about 6 months, it is the most comprehensive approach to this problem that we have ever brought before this body, and I should like the opportunity to thank the chairman of the Ways and Means Committee, the gentleman from Tennessee [Mr. COOPER] for the splendid cooperation we have had, also the gentleman from New York [Mr. REED], ranking minority member, and the members; also Mr. Anslinger, Commissioner of Narcotics, and all the other people and

staff members who have cooperated to make this legislation possible.

GENERAL LEAVE TO EXTEND ON THE BILL

Mr. COOPER. Mr. Speaker, I ask unanimous consent that all Members may extend their remarks on the bill at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

Mr. WESTLAND. Mr. Speaker, passage of H. R. 11619 will provide heavier penalties for dope peddlers, and for persons in possession of narcotics. Such legislation has been long needed in our country.

There are about 60,000 dope addicts in our Nation today. These unfortunate persons have been led into a practice that can only be described as living death. Many of them are young and face shattered lives and early death because of the nefarious activities of "pushers" or dope peddlers.

This bill has firmed up the policies on imprisonment of these purveyors of narcotics. We have upped the mandatory minimum and extended the permissive maximums for first offenders. I do not think the degree of offense should be of major consideration in this type of traffic. The first offense may have cost the useful lives of hundreds of our citizens. Stiff penalties for any traffic in narcotics would be an effective means of curtailing the number of persons willing to risk capture to engage in this degrading crime.

I voted for the House bill as a step in the right direction. The Senate bill goes much further. I wonder if we in the House have taken maximum advantage of the opportunity to stamp out dope traffic by making the penalties so severe that criminally minded persons would shun it? The saving of thousands of lives every year would be worth millions to the Nation, in addition to being one of the most humane actions that Congress could take.

An illustration of the effective curtailment of the dope racket is the city of Seattle, part of which is in my congressional district. Two Federal judges in that city, Judges Bowen and Lindberg, have taken firm stands against narcotics violators and have issued stiff sentences to convicted peddlers. The drug traffic is considered one of the most profitable of crimes, but the penalties inflicted in Seattle have succeeded in making the business unattractive to the criminal element, and narcotics authorities agree that it is one of the cleanest port cities in the United States as far as dope peddling is concerned. They credit these two judges with keeping the traffic down to a furtive minimum.

One factor in the apprehension of narcotics violators on which we in the House have not fulfilled our duty is the necessity for telephone surveillance. This is called wiretapping in the vernacular and has been bruited around as a nasty word. By use of the telephone tap, narcotics agents can trace the activities of the behind-the-scenes "big boy" who directs the activities of his underlings from the safety and obscurity of a telephone.

We in the House kept this provision out of our bill because it was opposed in the Senate committee. I believe the public has faith in the Narcotics Bureau, and would like to see them have every weapon at their command to haul in these big shots who are masterminding this terrible, killing, depraved traffic in human destinies. Without peddlers there would be no addicts. I believe we have the obligation to carry this legislation further, if not in this session, early in the next, to include the telephone tap. The Bureau of Narcotics has stated that this device would be one of the greatest deterrents to dope peddling that could be employed.

TRANSFER OF DISTILLED SPIRITS

Mr. COOPER. Mr. Speaker, by direction of the Committee on Ways and Means I ask unanimous consent for the immediate consideration of the bill (H. R. 11714) to extend for 3 years the existing authority of the Secretary of the Treasury in respect of transfers of distilled spirits for purposes deemed necessary to meet the requirements of the national defense, which was reported favorably by the Committee on Ways and Means.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That section 5217 (c) of the Internal Revenue Code of 1954 is amended by striking out "July 11, 1956" and inserting in lieu thereof "July 11, 1959."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

Mr. COOPER. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

Mr. COOPER. Mr. Speaker, section 5217 of the Internal Revenue Code of 1954 now authorizes the transfer of distilled spirits between various types of producing plants and warehousing facilities when the Secretary of the Treasury deems it necessary in the interest of national defense. The section also permits the Secretary to temporarily waive the application of any of the internal revenue laws relating to distilled spirits, except those imposing the tax, in order to meet the requirements of national defense. However, the authority contained in section 5217 expires on July 11, 1956.

H. R. 11714 would extend the authority to make emergency transfers and to waive application of the internal revenue laws relating to distilled spirits until July 11, 1959.

While the authority to waive application of the internal revenue laws relating to distilled spirits is not now being used, the need for it might arise on short notice. The authority to make transfers between producing plants and warehousing facilities is being used to great advantage at the present time. There-

fore, it is desirable to extend the application of section 5217 for 3 years.

The bill was reported unanimously by the Committee on Ways and Means and I urge its approval by the House.

Mr. REED of New York. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. REED of New York. Mr. Speaker, H. R. 11714 extends for 3 years the existing authority of the Secretary of the Treasury in respect to transfers of distilled spirits for purposes deemed necessary to meet the requirements of the national defense.

Under present law, this authority expires on July 11 of this year. For this reason, it is necessary that the Congress act expeditiously in order that the pending bill may become law before that date. This bill has the approval of the Department of the Treasury and was reported unanimously by the Committee on Ways and Means.

MAJ. WALTER REED ET AL.

Mr. KILDAY. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill H. R. 5590, an act to amend the act entitled "An act to recognize high public service rendered by Maj. Walter Reed and those associated with him in the discovery of the cause and means of transmission of yellow fever," approved February 28, 1929, by including therein the name of Gustaf E. Lambert, with Senate amendments thereto, and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments as follows:

Page 2, line 5, after "fled", insert "with the Veterans' Administration."

Page 2, line 6, after "act", insert "and payment of any such benefits shall be made by the Veterans' Administration."

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

The Senate amendments were concurred in.

A motion to reconsider was laid on the table.

REPORT OF THE NATIONAL ADVISORY COUNCIL ON INTERNATIONAL MONETARY AND FINANCIAL PROBLEMS—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 430)

The SPEAKER laid before the House the following message from the President of the United States, which was read, and, together with accompanying papers, referred to the Committee on Foreign Affairs and ordered to be printed:

To the Congress of the United States:

I transmit herewith, for the information of the Congress, a report of the National Advisory Council on Interna-

tional Monetary and Financial Problems, submitted to me through its Chairman, covering its operations from July 1 to December 31, 1955, and describing, in accordance with section 4 (b) (5) of the Bretton Woods Agreements Act, the participation of the United States in the International Monetary Fund and the International Bank for Reconstruction and Development for the above period.

DWIGHT D. EISENHOWER.

THE WHITE HOUSE, June 20, 1956.

ANNUAL REPORT OF THE OFFICE OF ALIEN PROPERTY—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER laid before the House the following message from the President of the United States, which was read, and, together with accompanying papers, referred to the Committee on Interstate and Foreign Commerce.

To the Congress of the United States:

I transmit herewith, for the information of the Congress, the Annual Report of the Office of Alien Property, Department of Justice, for the fiscal year ended June 30, 1955.

DWIGHT D. EISENHOWER.

THE WHITE HOUSE, June 20, 1956.

SPECIAL ORDER

Mr. JOHNSON of California. Mr. Speaker, last week I obtained a special order to address the House for 30 minutes today, which I would like to have vacated and I ask unanimous consent to address the House for 30 minutes on next Wednesday, after disposition of matters on the Speaker's desk and at the conclusion of any special orders heretofore entered.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

NARCOTICS

Mrs. FRANCES P. BOLTON. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentlewoman from Ohio?

There was no objection.

Mrs. FRANCES P. BOLTON. Mr. Speaker, I want to add my word of pleasure at the passage of the narcotics bill H. R. 11619, introduced by my distinguished colleague from Louisiana [Mr. Boggs]. It is many years since I first became aware of the terrible menace of narcotics addiction—many years since I started doing the little one person can do in such a vast sea of crime. Long ago I realized that unless the penalties for the illegal sale of drugs, especially to minors, were made much more severe there would be no surcease. These infamous people do not commit just a single murder, they are responsible for a form of mass murder directed most of all against women and young people. May I take this moment to thank my eminent colleague the gentleman from Loui-

siana [Mr. Boggs] for his fine courage in bringing this bill to the floor. By its unanimous vote the membership of this House has shown its determination to do its full share in destroying this menace.

In earlier days the laws of Ohio were lenient and peddlers came in from other States in such numbers that the Federal Bureau had to double and treble its agents in our State. However, Ohio stiffened her narcotic laws and since then these ghouls have been less troublesome. It will be a wonderful day for America when we have cleaned out this menace.

COMMITTEE ON GOVERNMENT OPERATIONS

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that the Committee on Government Operations may have until midnight tonight to file an intermediate report, and any member to file minority or accompanying views, and that if such minority or accompanying views are filed today they shall be printed with the majority report; otherwise the majority report shall be printed.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

Mr. HOFFMAN of Michigan. Mr. Speaker, reserving the right to object, I assume that the additional views and the majority views will all be printed together?

Mr. McCORMACK. As I have said in my unanimous consent request, if the minority views are filed in time with the Public Printer, they will be incorporated in one report.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

CALL OF THE HOUSE

Mr. MASON. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. McCORMACK. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 73]

Adair	Durham	Prouty
Barrett	Eberhart	Richards
Bass, Tenn.	Gamble	Sadlak
Bell	Hoffman, Ill.	St. George
Blatnik	Kelley, Pa.	Saylor
Brooks, La.	King, Calif.	Shelley
Brooks, Tex.	Krueger	Sieminski
Carlyle	Lane	Taylor
Carnahan	Long	Thompson, La.
Chatham	McConnell	Thornberry
Chudoff	Morrison	Vursell
Cretella	Nelson	Wickersham
Davidson	O'Hara, Minn.	Wilson, Calif.
Diggs	Patman	Wolcott
Dodd	Patterson	Zelenko
Dowdy	Powell	

The SPEAKER. Three hundred and eighty-two Members are present, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

FARM LOAN PROGRAMS

Mr. SMITH of Virginia. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 542 and ask for its present consideration.

The Clerk read the resolution, as follows:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 11544) to improve and simplify the credit facilities available to farmers, to amend the Bankhead-Jones Farm Tenant Act, and for other purposes. After general debate, which shall be confined to the bill, and shall continue not to exceed 1 hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Agriculture, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

The SPEAKER. The gentleman from Virginia is recognized for 1 hour.

Mr. SMITH of Virginia. Mr. Speaker, I yield 30 minutes to the distinguished minority leader, former member of the Committee on Rules; and I yield myself such time as I may consume.

Mr. Speaker, I ask unanimous consent to speak out of order.

The SPEAKER. Is there objection to the request of the gentleman from Virginia?

There was no objection.

Mr. SMITH of Virginia. Mr. Speaker, House Resolution 542 makes in order the consideration of H. R. 11544, to amend the Bankhead-Jones Farm Tenant Act to improve and simplify the credit facilities available to farmers.

The resolution provides for an open rule and 1 hour of general debate.

H. R. 11544 authorizes the refinancing of existing indebtedness of eligible farmers on family-size farms if the borrowers are unable to meet the terms and conditions of their outstanding indebtedness and are unable to refinance through any other lending agency. The FHA is authorized to accept second mortgages for direct loans for this purpose, but not for insured loans.

Provision is also made, for the first time, to allow the FHA to make loans for real estate and development and operating expenses to part-time farmers, providing that they have depended on agriculture for a living for at least 1 year of the most recent 10 and are conducting a substantial farm operation at the time they make application for loans.

New authorization is added to make loans to bona fide farmers who are owners and operators of smaller than family-size units. The bill permits the use of normal market value as the basis for these loans instead of valuation on the basis of earning capacity. However, the loans may not be made to persons without agricultural background, or for the acquisition of a part-time farm.

Another provision increases from \$7,000 to \$9,000 the maximum amount of an initial loan for operating purposes

and increases from \$10,000 to \$15,000 the total indebtedness for such loans that borrowers may have outstanding at one time.

A further provision increases the annual authorization for insured loans from \$100 million to \$125 million. However, the aggregate of refinancing loans authorized to be insured in any one year will be \$50 million out of the \$125 million ceiling proposed.

The authority to make economic-emergency loans under Public Law 727 of the 83d Congress is extended for 2 years from June 30, 1957, to June 30, 1959, and increases the aggregate amount to be made out of the revolving fund for such emergency loans from \$15 million to \$65 million. The repayment period of regular operative loans to farmers in disaster areas is extended by the number of years the area has been classified as a disaster area.

These are the major provisions of the bill. Section 3 of the bills contains general provisions to extend the authority of the FHA in adjusting and compromising claims, writing off or releasing claims and grants authority to appoint additional county committees where necessary.

Mr. Speaker, on my request to speak out of order:

Mr. Speaker, we have before us in the Rules Committee today the so-called school construction bill. That bill will be voted out tonight by a majority vote of the Rules Committee. It will doubtless be called up for consideration in a few days. It has been before the Rules Committee for some months. It was before the Education and Labor for something like a year, I believe, before it could be reported out. From that it may be observed that the bill is of a highly controversial nature.

It has been examined with great care by the Rules Committee as it was by the Committee on Education and Labor. The purpose of my remarks this morning is to express the hope that in the interval before that bill comes up for consideration on the floor Members who are really interested in the merits of the legislation will take occasion to glance at the bill and see what it is all about, because, in the press accounts, you have not had the real facts about the bill and what it does in the way of expenditures. I know there is a lot of controversy about the segregation question and the so-called silly Powell amendment, but I do not want to discuss that. I want to discuss the bill itself and just one or two features of it.

The first title of the bill provides for an appropriation of a billion six hundred million dollars for a 4-year program of aid to public schools. The billion six hundred million dollars is the figure that has been spoken of and what I thought, and what I imagine most Members of the House think, is the figure that is going to be expended. But when you get through examining this bill you will find there are three titles and the aggregate amount involved is \$8,350,000,000 for aid in the construction of school buildings.

I pass over section 1 because if you are going to have a school construction

program, it seems to me that title I is about as good as you are going to be able to get. The gentlemen on my left know that the President's proposal was one for aid where needed. But title I does not give aid where needed; it gives aid indiscriminately all over the country. I have no comment to make about title I, however. If you are going to have this kind of a bill, which I do not believe in and to which I am opposed, but if you are going to have it, that is about as good as you are going to be able to do.

Then there is title II, which involves \$750 million of further aid in financing these projects.

Then there is title III, which is the one I want to call your attention to merely for the purpose of expressing the hope that Members who are serious about this thing and Members who are thinking something about the Treasury and about orderly, intelligible legislation, will examine that with some care. I am going to aid you in that task by pointing to the page and section numbers which show the things I have in mind and which demonstrate how utterly ill considered title III is.

Title III undertakes to set up a system to aid the States in financing their proportion of the amounts to be given for this worthy cause. Section 311, page 23, states:

Federal advances may be made pursuant to this title only with respect to obligations issued in the period beginning July 1, 1956, and ending June 30, 1960, in an aggregate principal amount not to exceed \$6 billion.

Now, what that does is this: That sets up a situation where the Federal Government is going to undertake to assist in financing \$6 billion worth of obligations of the States in case the States cannot sell the bonds, and the Federal Government will undertake year after year to put up one-half of the money to, what they call, "service" those bonds, and to "service" the bonds they intend and say that the service figure shall include not only the interest on the bonds but the amortization figure on the bonds. That means that the Federal Government is to put up one-half of \$6 billion to take care of the Government's share of paying the amortization of these bonds plus one-half of the interest, so that they can clean up the principal and interest. So that at the minimum you are going to spend, in addition to the \$1.6 billion, \$3 billion plus interest.

Now, what I want to particularly call your attention to is the draftsmanship of that title relating to the \$6 billion. You will find on page 24 under "Administrative Provisions" section 313 (a) this very remarkable piece of legislation, and I hope the Members of the House will listen carefully. I will read it slowly, because I want you to understand it, and I am sure you want to understand it, at least those who are in any wise interested in the merits of the situation. It reads as follows:

The Commissioner—

That is, the Commissioner of Education—

in addition to other powers conferred by this act, shall have power to agree to modifications of agreements made under this title and to pay, compromise, waive, or release any

right, title, claim, lien, or demand, however arising or acquired under this title—

That is a type of legislation that I do not think I have observed in my experience here, where the administrator under an act involving this much money is entitled to give it away. And, there has been a lot of talk about it in the Committee on Rules. But, you cannot get away from the positive language of the bill, and that is the reason I read it with such care, in order that you may be advised on the subject.

Now, then, that does not end it. There is another little joker down there at the bottom of that paragraph. I will read it, and then I am through. Section (b) following that says this:

Financial transactions of the Commissioner in making advances pursuant to this title—

That is, the financial transactions; everything about financing—

and vouchers approved by the Commissioner in connection with such financial transactions, shall be final and conclusive upon all officers of the Government.

In other words, the effect of that is to repeal the office of the Comptroller General so far as this bill is concerned.

Now, gentlemen, if that is what you want to do, it is up to you.

Mr. BAILEY. Mr. Speaker, will the gentleman yield?

Mr. SMITH of Virginia. I yield to the gentleman from West Virginia.

Mr. BAILEY. The gentleman, with one exception, has stated the situation just about correctly. I would like to say to him that he is in error in his thinking, if he thinks that the Government under title 3 would be obligated for \$3 billion or \$6 billion. It is true that that \$6 billion item is in there; but I offered to the Committee on Rules yesterday, when I faced them, an amendment that would strike out the \$6 billion and insert in lieu thereof the actual Government obligation.

A preceding section of title 3 says that the Government shall assume one-half of the carrying charges of this indebtedness during the construction period. That is the 4-year period that we are talking about. The going interest rate the Government would have to pay for money is 2½ percent. Two and a half percent of \$6 billion is \$150 million.

I offered an amendment to strike out the \$6 billion, which is the overall size of the construction program and to substitute therefor the exact Government obligation of \$150 million. I am still willing, when the bill comes to the floor—and I am personally pledging myself to do so—to offer that amendment.

I am also offering an amendment, to answer the gentleman's objection, to strike out the section on page 24 that would take away from the Comptroller General and vest in the Commissioner of Education the authority to audit the handling of this money. I believe the gentleman will admit that I made that proposal to the Committee on Rules.

Mr. SMITH of Virginia. Mr. Speaker, I want to say that the gentleman from West Virginia [Mr. BAILEY] was very fair about the whole thing and freely admitted these defects in the bill, and I do

not know what other defects there may be in it. But the gentleman is going to offer an amendment as an individual Member of the House. I called his attention to the matter 3 months ago when this bill was before the Committee on Rules and he then agreed that the bill ought to be amended. I suggested that his committee should take the matter up and offer a committee amendment. I asked the question yesterday, and the gentleman advised me that his committee has taken no action on it. Whatever the amount may be that is authorized, I do not know what the gentleman will offer in place of the \$6 billion; but the servicing of this \$6 billion debt includes not only the interest, but the amortization and it is so stated in the bill.

Mr. BAILEY. Mr. Speaker, will the gentleman yield further?

Mr. SMITH of Virginia. I yield to the gentleman.

Mr. BAILEY. The gentleman is correct in saying that he made this objection back in February when I first appeared before the Committee on Rules. I promised him that I would prepare the necessary amendments and submit them to the Committee on Rules. But they quit considering the school construction bill at that point and I never had the opportunity to get back before the Committee on Rules to find out whether the amendments were satisfactory.

Mr. SMITH of Virginia. Mr. Speaker, the gentleman misapprehends the function of the Committee on Rules. We have nothing to do with amendments. It was just a friendly suggestion to help correct errors in this bill. That is the function of the Committee on Labor and the Committee on Labor has not offered any amendment up to now.

Mr. BAILEY. As a member of the committee I propose to offer the amendment on the floor.

Mr. MASON. Mr. Speaker, will the gentleman yield?

Mr. SMITH of Virginia. I yield to the gentleman from Illinois.

Mr. MASON. Mr. Speaker, I want to say this; the latest figures that I have from the Department of Education are to the effect that the pupil load per teacher in the United States 20 years ago was 32-and-a-fraction per teacher. Today the figure is 26-and-a-fraction pupils per teacher, a smaller load today than it was 20 years ago, on an average all over the Nation. The only schools that are congested are those in what we call impacted areas and we have legislation on the books to take care of those. So, I advise the Members of this House to get the latest figures on the pupil load per teacher and not to accept these statements that there is a crowded condition in the public schools all over the United States.

Mr. MARTIN. Mr. Speaker, we have no requests for time on this side.

Mr. SMITH of Virginia. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER. The question is on the resolution.

The resolution was agreed to.

COMMITTEE ON MERCHANT MARINE AND FISHERIES

Mr. BONNER. Mr. Speaker, I ask unanimous consent that the Committee on Merchant Marine and Fisheries may sit while the House is in session during general debate this afternoon.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

ADDITIONAL SCIENTIFIC AND PROFESSIONAL POSITIONS IN THE FEDERAL GOVERNMENT

Mr. TRIMBLE. Mr. Speaker, I call up House Resolution 516 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 11040) to advance the scientific and professional research and development programs of the Departments of Defense, the Interior, and Commerce, to improve the management and administration of certain departmental activities, and for other purposes. After general debate, which shall be confined to the bill, and shall continue not to exceed 1 hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Post Office and Civil Service, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. TRIMBLE. Mr. Speaker, I yield 30 minutes to the gentleman from Massachusetts [Mr. MARTIN], and yield myself such times as I may consume.

Mr. Speaker, this resolution makes in order the consideration of the bill H. R. 11040, an amendment of the Classification Act. The gentleman from Tennessee [Mr. MURRAY], chairman of the Committee on Post Office and Civil Service, and the gentleman from Kansas [Mr. REES], the ranking member of that committee, are present. As far as I know, there is no opposition to the rule.

Mr. Speaker, I yield 5 minutes to the gentleman from California [Mr. MILLER].

Mr. MILLER of California. Mr. Speaker, I rise in support of the rule. I think the legislation involved here is long overdue and that it is essential that it be passed forthwith if we are to retain our leading position in technological development of our armed services.

I serve on a subcommittee of the Armed Services Committee that has recently visited most of the airplane plants, and we were told of the shortage of engineers, physicists, and scientific people who are so necessary in the development of these newer instruments of war.

The Federal Government has always lagged behind private industry in paying adequate salaries to people in this category. It was less than 10 years ago that the ceiling of \$10,000 for Federal

pay was broken. We have never been realistic in adopting legislation that would recognize the necessity for an adequate number of people in these higher brackets to operate the agencies of Government that have to do with the new weapons of war and with atomic energy.

Our scientific people, who must sit opposite the highly paid technicians and skilled people in private industry, find themselves at a disadvantage. As we develop these people within Government, they are siphoned off into private industry because they cannot afford to work for the salaries we give them. The few that have remained are devoted people who have stayed on because in most cases they have earned and have a certain interest in Government due to their retirement privileges.

I think this committee is to be congratulated in bringing out this proposed legislation. I congratulate the gentleman from Tennessee [Mr. MURRAY], the gentleman from Kansas [Mr. REES], and the other members of the committee on so doing. I trust the rule will be adopted forthwith and that the bill will be put on its way so that we can keep the Government in the forefront in this important field so essential to our national defense.

Mr. MARTIN. Mr. Speaker, I do not desire to yield any time.

The SPEAKER. The question is on the resolution.

The resolution was agreed to.

Mr. MURRAY of Tennessee. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 11040) to advance the scientific and professional research and development programs of the Departments of Defense, the Interior, and Commerce, to improve the management and administration of certain departmental activities, and for other purposes.

The SPEAKER. The question is on the motion.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H. R. 11040, with Mr. SIKES in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. Under the rule, the gentleman from Tennessee [Mr. MURRAY] will be recognized for 30 minutes, and the gentleman from Kansas [Mr. REES] will be recognized for 30 minutes.

The Chair recognizes the gentleman from Tennessee [Mr. MURRAY].

Mr. MURRAY of Tennessee. Mr. Chairman, I yield myself 13 minutes.

Mr. Chairman, this bill represents a major change in the allocation and numbers of scientific and technical positions and positions in the highest three grades under the Classification Act. It will have a direct effect on all departments and agencies, but more specifically it will affect the Departments of Defense, Commerce, and Interior, and the National Advisory Committee for Aeronautics.

It has become necessary, because of the increasing need for emphasis on re-

search and development and the critical shortage of scientists and technicians to reappraise and bring up to date the law governing the number and allocation of scientific and technical positions. These positions are provided for under Public Law 313 of the 80th Congress.

At the present time there are 45 of these positions in the Department of Defense and 10 in the National Advisory Committee for Aeronautics.

There will be an increase of 230 technical and scientific positions for the Department of Defense, 50 for the National Security Agency, 50 for the National Advisory Committee for Aeronautics, and the establishment of 35 such positions in the Department of Commerce and 10 in the Department of the Interior. These positions are all keyed to our national defense.

Those in the Department of Commerce will be allocated as follows: 23 to the Bureau of Standards, 2 to the Weather Bureau, 3 to the Maritime Administration, 2 to the Coast and Geodetic Survey, and 5 to the Civil Aeronautics Authority. In the Department of the Interior they will be allocated as follows: 5 to the Geological Survey and 5 to the Bureau of Mines.

These agencies, charged with vital responsibility for developing and maintaining a strong and effective national defense, are facing serious handicaps due to the lack of sufficient higher-salaried positions to attract and keep the necessary engineers, scientists, technicians, and administrators to carry out their programs with dispatch and effectiveness. This condition is especially evident in the fields of research and development. Requirements for the development of missiles and test vehicles for the expanded guided missile programs, for new nuclear applications, for many new types of combat and support aircraft, and for experimental ships of many classes have created pressing needs for the highest caliber technical and executive leadership.

It should be noted that there are two other groups of scientific positions that have been allocated under Appropriation Act riders. These are 60 positions in the Public Health Service—Public Law 195, 84th Congress—and 5 positions in the Department of Agriculture—Public Law 496, 80th Congress.

The second feature of this bill is the allocation to the Department of Defense of its own group of 285 positions in grades 16, 17, and 18 of the Classification Act in a manner similar to that already established for the Federal Bureau of Investigation and the General Accounting Office. The net effect with respect to the Department of Defense will be that they will have an increase of 95 positions in grades 16, 17, and 18 and an increase of 201 positions in the technical and scientific categories, which includes 50 specifically earmarked for the National Security Agency.

The net effect of this bill, as far as the GS-16, 17, and 18 positions that are allocated by the Civil Service Commission are concerned, is that at the present time there are approximately 22 out of the fixed total of 1,200 available for distribution to the departments and agen-

cies other than Defense. If this bill is approved, there will be some 290 positions available.

The Civil Service Commissioners will continue to allocate the positions for the top three grades in the Classification Act except for the Department of Defense, the Federal Bureau of Investigation, the General Accounting Office, and the Library of Congress.

If this legislation is approved, we will then have the following pattern throughout the Government, taking into consideration positions in the three top grades of the Classification Act and positions allocated under Public Law 313: *Classification Act positions of grades 16, 17, and 18*

Under allocation by Civil Service Commission	
Department of Defense	1,200
Federal Bureau of Investigation	285
General Accounting Office	37
Library of Congress	25
Various agencies by special legislation	29
Total	1,601

Scientific and technical positions allocated under Public Law 313

Department of Defense	275
National Security Agency	50
National Advisory Committee for Aeronautics	60
Department of Commerce	35
Department of the Interior	10
Total	430

Scientific and professional positions allocated under appropriation riders

Public Health Service	60
Department of Agriculture	6
Total	65

Mr. Chairman, I would like to emphasize to the House that this is an urgent matter. I hope it will be acted upon promptly by the Congress in order that we can have a more effective and efficient top-level working force dealing with these important Government matters, particularly in research and development.

Our committee held very extensive hearings. Among those testifying were the following:

Hon. Reuben R. Robertson, Deputy Secretary of Defense.

Mr. Henry A. DuFlon, Deputy Assistant Secretary of Defense, Manpower, Personnel, and Reserve.

Mr. Leon L. Wheelless, Director of Civilian Personnel, Policy Division, Department of Defense.

Lt. Gen. Ralph J. Canine, Director, National Security Agency.

Dr. Hugh L. Dryden, Director, National Advisory Committee for Aeronautics.

Dr. John F. Victory, executive secretary, National Advisory Committee for Aeronautics.

Mr. Paul G. Dembling, legal adviser, National Advisory Committee for Aeronautics.

Mr. Robert J. Lacklen, personnel officer, National Committee for Aeronautics.

Mr. Carlton W. Hayward, Director, Office of Personnel Management, Department of Commerce.

Dr. A. V. Astin, Director, National Bureau of Standards.

Dr. Francis W. Reichelderfer, Chief, Weather Bureau.

Mr. Otis Beasley, Administrative Assistant Secretary, Department of the Interior.

Mr. Thomas Miller, Acting Director, Bureau of Mines.

Dr. Thomas B. Nolan, Director, Geological Survey.

Hon. Philip Young, Chairman, Civil Service Commission.

Hon. George M. Moore, Civil Service Commissioner.

Our hearings fully documented the use that would be made of the technical and scientific positions. They include such positions as the following:

(A) Director of Guided Missiles, Office of Secretary of Defense;

(B) Chief, Guided Missile Development, Redstone Arsenal, Department of Army;

(C) Chief Nuclear Physicist, Bureau of Ships, Department of Navy; and

(D) Director, Rocket Engine Test Laboratory, Department of the Air Force.

With respect to the National Security Agency, most of us know what a very important part that Agency plays in our whole national defense setup. We received testimony from Lt. Gen. Ralph J. Canine, Director of the National Security Agency in executive session, and the committee was so impressed with the need for adequately compensating people who have devoted a lifetime to this very important area, that at the request of General Canine we increased the amount from the original submission of 35 to 50 of these positions.

We hope this action will settle, not only for the present, but for some time to come, the issues that have been raised with respect to the supergrades, or grades 16, 17, and 18. Appropriation riders and other provisions of special legislation have given certain employees or certain positions salaries or grades above that which their positions warrant. They have not considered these special grants in relation to all other similar positions throughout the Federal Government.

The Civil Service Commission will have approximately 270 additional supergrade positions to allocate. They have over 500 requests for the allocations of these positions. The Commission, in their testimony before the committee, estimated that about 50 percent of the requests would probably not be justified, so this indicates that, at the present time, if this legislation is approved, we would be providing positions adequately to treat all employees fairly and equitably.

The committee has included a reporting procedure in this bill which will enable the Congress to more clearly determine the manner in which these higher grade positions are being used. As far as the scientific and technical positions are concerned, we were provided with a detailed report from the Department of Defense identifying and describing the positions presently being occupied under Public Law 313, and those which it proposed to put under that authority. It is indeed an impressive document, not only indicating the important responsibilities of many of these

scientists, but indicating as well that our country is doing an extensive amount of research and development directed toward our national defense.

The estimated cost of this legislation in increased payroll is \$1,534,250 for the Department of Defense, \$464,280 for the National Security Agency, \$100,000 for the National Advisory Committee on Aeronautics, \$21,200 for the Department of Interior, \$151,380 for the Department of Commerce and, if all 236 positions are utilized by the Civil Service Commission, \$644,000 for other departments and agencies, making a total estimated increase of \$2,915,110 in annual payroll costs.

To sum up, may I say this—that this legislation presents a major readjustment of the positions in the Federal Government carrying salaries ranging between \$10,000 and \$15,000, both those paid under the Classification Act and those paid as scientific and technical positions under the authority of Public Law 313, 80th Congress.

In addition, the bill sets aside a specific allocation of 285 positions in grades 16, 17, and 18 for the Department of Defense in the same manner as we have previously provided them for the General Accounting Office and the Federal Bureau of Investigation. This action makes available for departments and agencies outside of the Department of Defense 269 positions in grades 16, 17, and 18 which are presently allocated to the Department of Defense by the Civil Service Commission.

SALARY RANGES, SUPERGRADES

GS-16: \$12,900 to \$13,760.

GS-17: \$13,975 to \$14,620.

GS-18: \$14,800.

Mr. Chairman, I may say that the committee was unanimous in reporting this bill. It is a very important bill and I believe it is essential to our national defense. All of us are fully aware of the acute shortage of scientists, technicians, and engineers. You can read Sunday's New York Times and you will see page after page of advertisements for all kinds of engineers and scientists.

In a statement recently released by the McGraw-Hill Publishing Co. entitled "Are We Losing the Race With Russia," the critical shortage of scientists and engineers is shown. Let me read it to you:

It's the trend—shown in the chart—that is alarming.

Over the last 5 years we have turned out only 142,000 engineers, compared to an estimated 216,000 in Russia. In 1955 our output was around 23,000 compared to their 63,000. Over the next 5 years our projected output is 153,000, against at least 400,000 in Russia. There will be an additional 150,000 or more in the satellites and Red China.

In another publication recently released by the same publishing company entitled "How Critical Is It?" appears the following statement:

According to the best available information, from estimates by the Engineers' Joint Council and the United States Bureau of Labor Statistics, the minimum need for engineers from graduating classes is 40,000 each year for the next 10 years. Last year we graduated only 23,000 engineers, just about enough to cover replacement needs without

allowing for any expansion of the number of active engineers. Projections made by the United States Office of Education indicate that we shall probably not have a class of 40,000—the current annual requirement—until 1963.

According to Dr. Howard Meyerhoff, Executive Director of the Scientific Manpower Commission, there is now a shortage of about 20,000 scientists. Last year the number of doctoral degrees in the natural sciences, almost a prerequisite for research work, was only 5,000. Dr. Meyerhoff estimates that the shortage of scientists will rise another 30,000 by 1960.

We need more scientists and engineers in our defense setup. The provisions of this bill are certainly justified. Since there is no opposition to the bill on the part of the committee I hope it may be passed unanimously.

Mr. CEDERBERG. Mr. Chairman, will the gentleman yield?

Mr. MURRAY of Tennessee. I yield.

Mr. CEDERBERG. I want to associate myself with the remarks of the distinguished chairman of my committee. I think this bill is very timely and one that should be passed by the House because I think it will strengthen the scientific research of our Government a great deal. It will mean a lot to us in keeping pace with the rest of the world in that regard.

Mr. REES of Kansas. Mr. Chairman, I yield myself 8 minutes.

Mr. Chairman, this bill provides for 285 additional supergrade positions and 375 scientific and professional positions. The passage of this legislation is of vital importance to the research and development programs concerned with the defense efforts of the Government.

The committee held 3 days of hearings and 2 executive sessions on the provisions of this bill. The deputy and assistant secretaries of the departments and the heads of the agencies concerned presented factual testimony and fully answered all questions in justification of the allocation of these top-salaried positions. Their allocations were considered in groups and by individual positions. It is believed that without exception each one of these top-salaried positions will be fully utilized in the carrying out of the activities necessary to the expanded and ever-increasing technological requirements of our defense efforts and other essential Government operations.

It want to make it clear that the positions authorized by this bill are of two types. The supergrade positions, with salaries ranging from \$11,900 to \$14,800, are to be utilized for top executive and administrative employees. The scientific and professional positions are to be utilized in the employment of engineers, physicists, and other technicians engaged in research and development activities. The salaries of this last group range from \$10,000 to \$15,000.

All positions authorized by this bill are subject to a complete review and evaluation by the Civil Service Commission. The Department of Defense is authorized to select the positions which will be recommended for both the supergrade and scientific and professional allocation. This allocation must, however, be approved by the Civil Service Commission before it can become effective. The

scientific and professional positions in the other agencies are subject to the same approval.

In addition to this control by the Civil Service Commission, the bill provides for reporting requirements, in which the departments and agencies concerned must report annually on the number of such positions in existence as well as those established during the year. This report must furnish the names of the occupants, the salary they are receiving, and a complete listing of their qualifications for such positions. The agencies must also furnish such other information pertaining to these positions as the Congress may require.

There has been considerable debate in this Congress regarding the allocation of supergrade and other top-salaried positions through special legislation or riders on appropriation bills. The committee, in reporting this bill, believes that with the additional positions authorized, there will be no further justification for any department or agency to request special treatment outside of the Classification Act.

The supergrade positions were created in 1949, with authority for 400. With the enactment of this bill, there will be some 1,600 such positions. This is an increase of over 400 percent. At the same time, overall employment in the Federal Government has materially decreased.

The scientific and professional positions were created in the 80th Congress, at which time I was chairman of the committee. The legislation at that time authorized 45 fully justified positions in the Department of Defense. With the enactment of bill H. R. 11040, there will be 495 such positions in the Federal Government. This represents an increase of over 1,100 percent. I firmly believe that these increases, even though large, are fully justified and that the requirements for specially trained and qualified top-civilian personnel in the Federal Government have increased, especially during the last 3 years and will continue to do so.

In detail, this bill provides for 285 supergrade positions and 230 new scientific and professional positions for the Department of Defense, 50 scientific and professional positions for the National Security Agency, 50 for the National Advisory Committee on Aeronautics, 10 for the Department of Interior, and 35 for the Department of Commerce. The action in regard to the 285 supergrade positions for the Department of Defense will release 269 such positions to the Civil Service Commission where they will be available for allocation to the other departments and agencies.

The Civil Service Commission has advised the committee that it has over 500 requests for these positions. They have indicated, however, that their experience has shown that only approximately 50 percent of the requests for supergrade positions can be justified. The 269 positions provided for by this bill should, therefore, take care of all justifiable requests for this type of position, including the 10 positions for the General Services Administration which were authorized by the House in a rider on the Independent Offices Appropriation Act and the

6 positions for the Immigration and Naturalization Service which were authorized in the State, Justice, and Judiciary Appropriations Act.

The allocations provided for by this bill entirely satisfy all requests for these top-level positions made to the committee by the departments and agencies of the executive branch. Each one of these allocations has been fully justified. There was no opposition in the committee to recommending favorable action on the provisions of the bill. I strongly recommend that the House give favorable consideration to its provisions and pass it without delay.

As a result, there are 660 high-salaried jobs; 285 are supergrade, all to Department of Defense; 375 are scientific and professor positions.

There are now 1,341 supergrades, 120 scientific, for a total of 1,461.

Mr. JOHNSON of California. Mr. Chairman, will the gentleman yield?

Mr. REES of Kansas. I yield to the gentleman from California.

Mr. JOHNSON of California. Mr. Chairman, we have listened to testimony concerning the problems involved in scientific research and development as they have been presented to the Committee on the Armed Services by the various branches of the armed services, especially by the personnel who were engaged in scientific research and development, as they applied to the Armed Forces. May I point out to the gentleman that many, many years ago there was founded the National Advisory Committee on Aeronautics. I believe that was started in 1915, long before there were many airplanes used for military purposes. This illustrates how important it is to start early. All during the years the group of individuals on that committee have done a wonderful work, even back in 1915 when flying was new and novel and carried on by stunt fliers. Their wonderful work resulted in the development of practically all of the scientific contributions to the aeronautical field. This is important. The spark-plug in this endeavor was John Victory, who is still the executive secretary of NACA. So I want to congratulate the gentleman from Kansas [Mr. REES], also the gentleman from Tennessee [Mr. MURRAY] the able chairman of the committee, with whom the gentleman from Kansas has worked cooperatively, and I should like to join in expressing the hope that this bill will be passed unanimously.

Mr. REES of Kansas. I thank the gentleman.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. REES of Kansas. I yield to the gentleman from Iowa, who is a distinguished member of the Committee on Post Office and Civil Service.

Mr. GROSS. I thank the gentleman from Kansas. I want to commend him for his statement concerning this bill and say that I think most of the positions authorized are justified. Moreover, this is the orderly procedure for creating and allocating such positions. I have contended, as has the gentleman from Kansas, against riders upon appropriation bills creating supergrade jobs in the Government.

I do want to say, however, that I have always contended that the Government cannot compete with private employers, who operate on cost-plus-fixed-fee contracts in the matter of securing scientific and professional employees.

Let me also join with the chairman of our committee [Mr. MURRAY], in expressing the hope that we will not again in the near future be confronted with a similar request.

I want to reemphasize that the Government can never compete for personnel with those who hold cost-plus-fixed-fee contracts. I repeat that this is the orderly procedure for providing supergrade jobs, and the bill also provides certain safeguards whereby in the future supergrade jobs must be justified by the various departments and agencies. That is a good feature of this bill.

Mr. REES of Kansas. I agree with the gentleman and I appreciate his contribution in respect to this proposed legislation.

One more thing, and that is this: I want to emphasize that this proposed legislation is the result of full and complete hearings on this question. I also want to reiterate, if I may, the thing that the gentleman from Iowa has just stated. We hope this legislation will prevent agencies from coming in and getting their supergrades approved in appropriation bills without having had hearings on the question of necessity for such positions.

Mr. MURRAY of Tennessee. Mr. Chairman, I have no further requests for time.

Mr. REES of Kansas. Mr. Chairman, I yield 5 minutes to the gentleman from California [Mr. GUBSER].

Mr. GUBSER. Mr. Chairman, I rise in support of this bill. I realize that there is no particular glamor attached to it; no particular appropriation for any particular section of the country. But, I still feel very sincerely and very strongly that this is one of the most important pieces of legislation that we could enact in this session.

I am going to confine my remarks to one of the Government installations which will receive additional supergrade employees if this bill is passed, namely, the Ames Laboratory of the National Advisory Committee for Aeronautics which happens to be situated in my district. I work very closely with these people. I have found that their work is most important to the national defense. Ames Laboratory is developing basic research data which will result in the airplanes and guided missiles our armed services will be flying 10 to 15 years from now. The lag time between research and development, and actual manufacture is so terrific that we must, if we are going to win this cold war, be far ahead insofar as research is concerned. The Ames Laboratory represents an investment of \$64 million of the taxpayers' money, but at the same time this great, terrific investment is not adequately manned with scientific personnel due to the fact that wages are just simply not high enough. During the fiscal year 1955 Ames Laboratory was only able to recruit 33 scientists in grades GS-5 to 7, principally because the salary offered by private industry

was too much higher. A comparison shows that Ames Laboratory could offer \$3,410 for a GS-5 position and \$4,205 for a GS-7. At the same time the aircraft industry was offering salaries for the equivalent of a GS-5 job of \$4,860 and a salary of \$5,940 for the equivalent of a GS-7 position. Not only was the National Advisory Committee for Aeronautics unable to compete with the aeronautics industry on a salary basis, but they were required to offer less than State, county, and city governments were offering.

Unfortunately, this bill will not take care of the need for recruitment of new scientific personnel at the bottom of the ladder. The gentleman from California [Mr. Moss] and I are presently preparing a bill which would meet this very, very great need.

Though I wish the bill could go further, I am nevertheless supporting it because it does take care of the need for retaining our especially skilled and experienced scientific personnel at the top of the pay scale.

Mr. Chairman, let me give you an example of what has happened at the top of the ladder at Ames Laboratory. A GS-15 getting \$12,150 has been offered 3 positions from private industry, 1 at \$16,000 plus a \$2,500 bonus, 1 at \$16,000, and another at \$15,000. A GS-15 at \$11,880 has been offered a full professorship at four permanent universities throughout the country. He still stayed on at Ames Laboratory at a far lesser salary.

I have similar communications from the Atomic Energy Commission indicating that their need is as great and as acute as that of the National Advisory Committee for Aeronautics.

At the atomic bomb test last year at Yucca Flats in Nevada, I talked with many a scientist who could go into private industry and draw anywhere from \$25,000 to probably as high as \$50,000 per year. And yet they were living there, in the desert, under extremely adverse conditions, working for far less than \$15,000.

Mr. HOLIFIELD. Mr. Chairman, will the gentleman yield?

Mr. GUBSER. Mr. Chairman, I yield to the gentleman from California.

Mr. HOLIFIELD. Mr. Chairman, the gentleman is making a very important and a very true statement. I can say from my own knowledge of the scientific personnel problem in the Atomic Energy Commission that while a great many of these people are staying on, there are a great many of them who are going into private industry at greatly increased salaries, sometimes double as much as they are getting and sometimes treble what they are receiving from the Government.

Within the last 2 years we have even had on the Joint Committee on Atomic Energy the experience of losing 3 or 4 of our valuable staff members who were in the \$10,000 to \$11,000 range and who have been hired at up to as high as \$20,000 by private industry.

This draining away from the Government into private industry is going on all the time, and if something is not done to preserve the integrity of the caliber of

the personnel in our Government functions, the more qualified, and perhaps the more adventurous type will go into private industry. And unfortunately we may have left the less qualified people in the Government.

I just want to say that I am in favor of this bill. I think it is a good bill. I know there is one problem it will not solve, and that is the inadequate supply of scientists and I hope legislation will be offered to cover that matter.

Mr. GUBSER. Mr. Chairman, I thank the gentleman. As a member of the Joint Committee on Atomic Energy, his remarks are certainly valuable. That brings me to this point. How long can we expect our scientific and technical personnel to derive the full measure of their pay from a patriotic sense of accomplishment? I feel we should pay them what they are worth, just as private industry is paying them.

In the other body there is great debate presently going on concerning appropriations for the Air Force. Personally I favor a strong Air Force and will vote for it. I favor a strong national defense in every respect. This bill is an attempt not to provide airplanes today but to provide the brains which will develop the airplanes and the guided missiles which will be flying 10 years from now when the B-52 of today is obsolete.

This is an important bill. We have in our hands the ability to go ahead and win this cold war by providing the brains to do it, or we have in our hands the decision to remain behind and allow our potential opponents to go ahead of us.

Mr. Chairman, I strongly urge the passage of this bill.

Mr. REES of Kansas. Mr. Chairman, I yield 5 minutes to the gentleman from Pennsylvania [Mr. CORBETT], a member of the committee.

Mr. CORBETT. Mr. Chairman, this bill is vitally necessary and highly desirable. It is my own conviction that what good it does is not sufficient, but to do less would be highly disastrous.

We are asking scientists and technicians now to stay on as a patriotic duty. Many of them are doing that and continuing in their missions and projects, but some of them are finding that their families are suffering, that they are not securing the benefits that they should and, consequently, they have been forced to accept better offers in private industry. But even those who are staying should not be penalized because of their patriotic devotion to their duty.

Therefore, this bill should not only be passed unanimously, as I hope it will be, but it ought to be the forerunner of a study of just exactly what the needs of our various defense agencies are for scientists both in quantity and those who are experts in their field.

We all recognize that even some of the finest jet planes we have on order that are not yet delivered will be obsolete in a very few years and able to serve only as interim weapons as the guided missile program advances.

We know that the whole safety of the United States and the free nations allied with us may hinge on certain scientific

or technological advances. If we do fail to provide ourselves with the means of keeping our leadership in the fields of science and research we fail in our fundamental job of protecting the United States and the people thereof.

Mr. Chairman, I believe and hope the Members agree that this bill should be passed unanimously, and that we should further examine the needs and proper desires of the agencies for more individuals to help us in this terrible job of defending ourselves against the Communist conspiracy.

The CHAIRMAN. There being no further requests for time, the Clerk will read the bill for amendment.

The Clerk read as follows:

Be it enacted, etc., That (a) subsections (a) and (b) of the first section of the act of August 1, 1947 (61 Stat. 715; Public Law 313, 80th Cong.), as amended, are amended to read as follows: "(a) the Secretary of Defense is authorized to establish and fix the compensation for not more than 275 positions in the Department of Defense and not more than 50 positions in the National Security Agency, each such position being established to effectuate those research and development functions, relating to the national defense, military and naval medicine, and any and all other activities of the Department of Defense and the National Security Agency, as the case may be, which require the services of specially qualified scientific or professional personnel.

"(b) The Chairman of the National Advisory Committee for Aeronautics is authorized to establish and fix the compensation for, in the headquarters and research stations of the National Advisory Committee for Aeronautics, not to exceed 60 positions in the professional and scientific service, each such position being established in order to enable the National Advisory Committee for Aeronautics to secure and retain the services of specially qualified personnel necessary in the discharge of the duty of the Committee to supervise and direct the scientific study of the problems of flight with a view to their practical solution.

"(c) The Secretary of the Interior is authorized to establish and fix the compensation for not to exceed 10 positions of a professional or scientific nature in the Department of the Interior, each such position being established in order to enable the Department of the Interior to effectuate those research and development functions and activities of such Department which require the services of specially qualified professional or scientific personnel.

"(d) The Secretary of Commerce is authorized to establish and fix the compensation for not to exceed 35 positions of a professional or scientific nature in the Department of Commerce, each such position being established in order to enable the Department of Commerce to effectuate those research and development functions and activities of such Department which require the services of specially qualified professional or scientific personnel."

(b) Nothing contained in the amendment made to such act of August 1, 1947, by subsection (a) of this section shall affect any position existing under authority of subsection (a) of the first section of such act of August 1, 1947, as in effect immediately prior to the effective date of such amendment, the compensation attached to any such position, and any incumbent thereof, his appointment thereto, and his right to receive the compensation attached thereto, until appropriate action is taken under authority of subsection (a) of such first section of such act of August 1, 1947, as contained in the amendment made by subsection (a) of this section.

(c) Subsection (c) of the first section of such act of August 1, 1947, as amended, is hereby redesignated subsection (e) of such first section.

(d) Section 3 of such act of August 1, 1947, as amended, is amended to read as follows:

"SEC. 3. (a) Each officer, with respect to positions established by him under this act, shall submit to the Congress, not later than February 1 of each year, a report which sets forth—

"(1) the number of such positions so established or in existence during the immediately preceding calendar year,

"(2) the name, rate of compensation, and description of the qualifications of each incumbent of each such position, together with the position title and a statement of the functions, duties, and responsibilities performed by each such incumbent, except that nothing contained in this section shall require the resubmission of information required under this paragraph which has been reported pursuant to this section and which remains unchanged, and

"(3) such other information as he deems appropriate.

"(b) In any instance in which any officer so required to submit such report may consider full public disclosure of any or all of the above-specified items to be detrimental to the national security or the public interest, such officer is authorized—

"(1) to omit in his annual report those items with respect to which full public disclosure is considered by him to be detrimental to the national security or the public interest,

"(2) to inform the Congress of such omission, and

"(3) at the request of any congressional committee to which such report is referred, to present information concerning such items in executive sessions of such committee."

The CHAIRMAN. The Clerk will report the committee amendments to section 1 and without objection the amendments will be reported and considered en bloc.

The Clerk read as follows:

Committee amendments:

On page 4, line 20, immediately before the period insert "or which may be required by the Congress or a committee thereof."

Line 23, strike out "consider" and insert "find."

Page 5, line 1, strike out "or the public interest."

Line 4, strike out "considered" and insert "found."

Lines 5 and 6, strike out "or the public interest."

Line 9, insert "all."

Lines 10 and 11, strike out "in executive sessions of such committee."

The CHAIRMAN. The question is on the committee amendments.

The committee amendments were agreed to.

Mr. CRUMPACKER. Mr. Chairman, I offer an amendment which is at the Clerk's desk.

The Clerk read as follows:

Amendment offered by Mr. CRUMPACKER: On page 2, line 13, after "exceed", strike out "sixty" and insert "one hundred."

The CHAIRMAN. The gentleman from Indiana [Mr. CRUMPACKER] is recognized in support of his amendment.

Mr. REES of Kansas. Mr. Chairman, I rise to a point of order.

The CHAIRMAN. The gentleman will state the point of order.

Mr. REES of Kansas. Mr. Chairman, I make the point of order that the amendment offered by the gentleman from Indiana comes too late.

The CHAIRMAN. The Committee is still considering section 1. We have not yet passed on to section 2 of the bill.

The point of order is overruled and the gentleman from Indiana is recognized.

Mr. CRUMPACKER. Mr. Chairman, the amendment which I have offered would increase the number of high-salaried scientific positions authorized for the National Advisory Committee on Aeronautics from the 60 provided by the committee bill to 100.

There has been a great deal of discussion in recent months not only in this body but elsewhere as to the relative state of our aeronautical technology and science and that of our potential enemies.

The National Advisory Committee on Aeronautics is the body on whose shoulders rests the ultimate responsibility of winning this technological race. Unquestionably whether we have better aircraft than our enemies depends upon the skill and ability of this group of scientists. Oftentimes their activities and their work is largely overlooked. The activities of the Defense Department, particularly of the services in testing and demonstrating the end weapons which have been made possible by NACA research, receives a great deal more attention and publicity than the activities of these scientists, who generally work, without any publicity at all, in their laboratories in the less glamorous field of pure aeronautic science. Before they have made the scientific breakthroughs, the scientists in the Defense Department and the engineers in the various aircraft manufacturing companies cannot and do not produce the weapons that for the present and foreseeable future are essential to our survival as a nation.

NACA must lead the way, and if they are not effective and efficient in doing so we will ultimately lose this technological race. Because of the fact that their activities are not so well known, they oftentimes tend to be overlooked. I realize it will be argued that a greater number of these high-salaried scientific positions was not asked for by these agencies. My answer to that is first, that all such requests by directors of such agencies must clear through other agencies of the Government, such as the Bureau of the Budget. Frequently the desires of a particular agency get strained down in being channeled through the various Government channels on their way to Congress.

This is the first time in 7 years that this Congress has seen fit to deal directly with this question of the creation of adequate financial incentives for these highly trained scientific personnel. During that 7 years the workload in all of these defense agencies, particularly the workload of the NACA, has multiplied many times. From all present indications, it will continue to increase in the future. So, while 60 may be adequate for today—and as to that I am not in a position to argue with the committee—I do feel that if 60 is the

number we need today, in all probability we will need more in the near future. Undoubtedly we will need more before the Congress gets around to acting on this subject matter again.

Mr. MURRAY of Tennessee. Mr. Chairman, will the gentleman yield?

Mr. CRUMPACKER. I yield.

Mr. MURRAY of Tennessee. Is the gentleman aware of the fact that the Director of the NACA appeared before our committee and asked for only 60? Now, have any of these gentlemen indicated to you that they wanted more than the committee gave to them? We are simply complying with the request of these gentlemen in that regard.

Mr. CRUMPACKER. None of those people have come to me and indicated any dissatisfaction with the request, but for the reasons I have stated and the slowness of Congress to deal with these situations as they develop, and the fact that these responsible officials have to channel their requests through other agencies, who almost invariably cut down the requests, I do not think that is an adequate answer to the needs, not only the present but the future needs of this agency.

I would like to say that all this measure does is authorize the positions. If the agency does not need the positions at the present time, they will not have to fill them, but if they do need them in the future, this would permit them to fill the positions without going through the long and sometimes tedious process of trying to gain congressional approval.

The CHAIRMAN. The time of the gentleman from Indiana has expired.

(By unanimous consent, Mr. CRUMPACKER was granted 1 additional minute.)

Mr. CRUMPACKER. I do feel that the need in this particular field of pure scientific research is so great that we should not handicap this agency in any way, or tie strings about them that may block their possible expansion in the future.

After all, if all these posts were filled at the maximum figure permissible, it would cost the Government just an additional \$200,000 a year. As against the billions of dollars we are spending on research it seems to me that this is a very small amount indeed, a very small investment to make in the future security of this country.

Mr. HARVEY. Mr. Chairman, will the gentleman yield?

The CHAIRMAN. The time of the gentleman from Indiana has expired.

(On request of Mr. HARVEY (and by unanimous consent), Mr. CRUMPACKER was allowed to proceed for 2 additional minutes.)

Mr. CRUMPACKER. I yield to the gentleman from Indiana.

Mr. HARVEY. I was very favorably impressed with the reasoning back of the gentleman's amendment. I would like to ask him, because I know he has given a great deal of study to this problem, whether there will be competent and specially trained people to fill these positions, if authorized? It is one thing to have a position available; it is another

to have people with adequate skills and training to fill it.

Mr. CRUMPACKER. I may say that they will certainly not be easy to fill. However, if this legislation would induce just a few of the highly skilled personnel who have left these special agencies in recent months to accept higher paying jobs in private industry, to return to the Government service it would have served a very worthwhile purpose. Certainly there is a great shortage of highly skilled scientific personnel. They cannot be just picked up overnight. Certainly over a period of years the personnel would become available; and, as suggested previously, I think this legislation may induce some of those who have left the Government service in recent years to possibly return to it and thus fill the vacancies. It should also induce many now in the Government service to remain and not accept offers from private industry.

Mr. HARVEY. I thank the gentleman.

Mr. MURRAY of Tennessee. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, our committee in this bill has given the National Advisory Committee for Aeronautics the number of scientific and technical jobs they asked for.

I have known Dr. Dryden, who is director of the National Advisory Committee for Aeronautics, and Mr. Victory, who is the executive secretary, for several years. Our committee has wholeheartedly cooperated with these gentlemen insofar as the jurisdiction of our committee is concerned. We gave them first the ten technical and scientific jobs that they asked for the first time. Dr. Dryden and Mr. Victory appeared before our committee in connection with this bill. Here is the printed testimony of these gentlemen before our committee. They asked us to increase the number of these excepted positions from 10 to 60 with the approval of the Bureau of the Budget and the Civil Service Commission.

The gentleman from Indiana [Mr. CRUMPACKER] says he has not been contacted by Dr. Dryden or by Mr. Victory or any other official of the National Advisory Committee for Aeronautics about this matter. Surely these gentlemen in charge know what they want, and we have given them what they asked for. Certainly they must have a sufficient number of technically skilled and qualified engineers, technicians, and scientists to do this important work.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. MURRAY of Tennessee. I yield to the gentleman from Iowa.

Mr. GROSS. There was no contention made before our committee that the Bureau of the Budget had denied the National Advisory Committee for Aeronautics a request for additional employees. Will the gentleman agree to that?

Mr. MURRAY of Tennessee. Why, certainly.

Mr. GROSS. Has the chairman of the Post Office and Civil Service Committee had any word from Dr. Dryden or anyone else from the National Advisory

Committee, since our hearings were held, asserting that the 60 extra pay jobs were insufficient?

Mr. MURRAY of Tennessee. I have not received any such information. They have been very fair whenever they appeared before our committee and we have never turned down any request from them about legislation. I know they are highly satisfied and well pleased with the action of our committee which gave them the 60 scientific and technical positions they wanted.

Mr. GROSS. If there are supergrade spaces unfilled under the control of the Civil Service, the National Advisory Committee for Aeronautics could go to the Commission and get additional berths if they could justify the need.

Mr. MURRAY of Tennessee. Yes, in these supergrades. They only asked for an increase from 10 to 60 in these scientific positions and we gave them exactly what they wanted. I do not see where the gentleman from Indiana has presented anything to the contrary.

Mr. CRUMPACKER. Mr. Chairman, will the gentleman yield?

Mr. MURRAY of Tennessee. I yield to the gentleman from Indiana.

Mr. CRUMPACKER. Can the gentleman promise me that the Congress will deal with this subject again in less than 7 years if the need arises?

Mr. MURRAY of Tennessee. The gentleman can rest assured that if Dr. Dryden and Dr. Victory, officials in charge of the Advisory Committee for Aeronautics, come before our committee with a request, we will give them every cooperation. We have never turned them down. We are not experts in their field and we have to rely upon their judgment. We did so in this case and I appeal to you to vote down the pending amendment.

Mr. JOHNSON of California. Mr. Chairman, I move to strike out the requisite number of words.

Mr. Chairman, I do not care to inject myself into this controversy between the chairman of the committee and the ranking minority member other than to say that in my opinion, the gentleman from Indiana has a very good point. The reason I take that view is because of an experience I had in 1945.

When the shooting war in Europe ended, a number of members of the Committee on Military Affairs went to France to look into the displaced persons problem and other problems. The gentleman now presiding as Chairman of the Committee of the Whole accompanied us at that time.

One of the things that I remember so very well, and I am sure every Member who was there remembers very well, was Nordhausen, one of the horror camps where the Germans executed thousands of innocent victims that were captured at that time. In going there we had to fly over a very high mountain, and as we looked down to the landscape below we saw that a railroad went into the side of a mountain and came out at the other end of it. Later we found that Hitler had an underground operation for the development and use of V2 bombs. No one knew anything about this until the Americans got into that underground

area where the railroad was. He had extrusion presses there where these bombs were developed and built in great numbers. As a matter of fact, they shot many of these bombs from Amsterdam into London where they struck a large church and damaged an extensive area of that city. If Hitler had had one more month, just one month, it was our conviction then that England would have fallen and we would have been left alone to fight that war to its bitter and tragic end.

I mention that experience to demonstrate that the argument presented by the gentleman from Indiana has a great deal of merit. Why not leave the door open slightly so that if the scientists feel that they should have more scientific help they will be able to get it promptly? That experience taught me that sometimes we have to look a little further ahead than we can see at the time we make a particular decision. This may be a little beside the argument here, but I do think the gentleman's contention has great merit. That experience impressed me and it impressed every Member present. Thank God we got there in time and licked the enemy, otherwise Hitler might have taken away our major ally.

Mr. REES of Kansas. Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from Indiana.

Mr. Chairman, I want to emphasize what our chairman, Mr. MURRAY, has said with respect to this proposed amendment. That is, that Dr. Dryden and other officials of this organization appeared before the committee asking for 60 of these new positions, which we gave them. We took care of all of the requests of agencies that appeared before our committee.

Mr. Chairman, the pending amendment ought to be rejected.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. REES of Kansas. I yield to the gentleman from Iowa, a member of our committee. He is one who has studied this legislation very carefully.

Mr. GROSS. If we adopt this amendment we would be setting a precedent of saying to the various departments and agencies when they ask for an increase in personnel, if they say they want 100, give them 200 in anticipation that they may need 200. That is a very poor way to legislate, and I believe the gentleman from Kansas will agree with me.

Mr. REES of Kansas. I agree with the gentleman. One of our difficulties is to keep these matters from getting out of control. Here is a case where we were extremely careful to see that our defense was not injured in any way, and the witnesses were so convincing with respect to their requests that they were granted in toto; every one of them. Now, when we come to the floor of the House and offer an amendment to almost double it, it is out of order, in my opinion, and ought to be rejected.

Mr. CRUMPACKER. Mr. Chairman, will the gentleman yield?

Mr. REES of Kansas. I yield to the gentleman from Indiana.

Mr. CRUMPACKER. Does not the gentleman realize that our defense has been injured in the last months and the last years during which the restriction set up in 1949 was in effect and before the committee and the Congress got around to dealing with it?

Mr. REES of Kansas. With respect to this particular agency, Congress did approve 10 supergrades more at that time than had been granted any other agency.

Mr. CRUMPACKER. Back in 1949?

Mr. REES of Kansas. That is right. Mr. CRUMPACKER. And a great deal of harm has been done to that agency because of the personnel that was lost to private industry, because they could not pay comparable salaries.

Mr. REES of Kansas. So far as I know, this is the first time a request was made to this committee for the relief that is being granted under this bill.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Indiana [Mr. CRUMPACKER].

The amendment was rejected.

The Clerk read as follows:

SEC. 2. Section 505 of the Classification Act of 1949, as amended (69 Stat. 179; 5 U. S. C., sec. 1105), is amended—

(1) by striking out in subsection (b) of such section 505 "subsections (c), (d), and (e)" and inserting in lieu thereof "subsections (c), (d), (e), and (f)" and

(2) by adding at the end of such section 505 the following new subsection:

"(f) The Secretary of Defense is authorized, in accordance with the standards and procedures of this act, to place a total of two hundred and eighty-five positions in the Department of Defense in grades 16, 17, and 18 of the General Schedule. Such positions shall be in addition to the number of positions authorized to be placed in such grades by subsection (b)."

SEC. 3. (a) The United States Civil Service Commission, the Librarian of Congress, the Comptroller General of the United States, the Director of the Federal Bureau of Investigation of the Department of Justice, and the Secretary of Defense, respectively, with respect to those positions within the purview of subsection (b), (c), (d), (e), and (f), respectively, of section 505 of the Classification Act of 1949, as amended, and the appropriate authority, with respect to those positions under jurisdiction of such authority which are allocated to or placed in grades 16, 17, and 18 of the General Schedule of the Classification Act of 1949, as amended (including such positions as allocated or placed on a temporary or present incumbency basis), under any provision of law (including any reorganization plan) other than the above-specified subsections, which is in effect on or after the date of enactment of this subsection, shall submit, so long as such provision of law or reorganization plan remains in effect, to the Congress, not later than February 1 of each year, a report which sets forth—

(1) the total number of such positions allocated to or placed in all of such grades during the immediately preceding calendar year, the total number of such positions allocated to or placed in each of such grades during such immediately preceding calendar year, and the total number of such positions in existence during such immediately preceding calendar year and the grades to or in which such total number of positions in existing are allocated or placed.

(2) the name, rate of compensation, and description of the qualifications of each incumbent of each such position, together with the position title and a statement of the duties and responsibilities performed by each such incumbent,

(3) the position or positions in or outside the Federal Government held by each such incumbent, and his rate or rates of compensation, during the 5-year period immediately preceding the date of appointment of each such incumbent to such position, and

(4) Such other information as the Commission, officer, or other appropriate authority submitting such report may deem appropriate.

Nothing contained in this subsection shall require the resubmission of any information required under paragraphs (2) and (3) of this subsection which has been reported pursuant to this subsection and which remains unchanged.

(b) In any instance in which the Commission, officer, or other appropriate authority so required to submit such report may consider full public disclosure of any or all of the above-specified items to be detrimental to the national security or the public interest, such Commission, officer, or authority is authorized—

(1) to omit in such annual report those items with respect to which full public disclosure is considered to be detrimental to the national security or the public interest,

(2) to inform the Congress of such omission, and

(3) at the request of any congressional committee to which such report is referred, to present information concerning such items in executive sessions of such committee.

(c) Subsection (b) of section 505 of the Classification Act of 1949, as amended (69 Stat. 179; 5 U. S. C., sec. 1105), is amended by striking out "The United States Civil Service Commission shall report annually to the Congress the total number of positions established under this subsection for grades 16, 17, and 18 of the General Schedule and the total number of positions so established for each such grade."

SEC. 4. (a) The following provisions of law are hereby repealed:

(1) That part of the paragraph under the heading "Federal Prison System" and under the subheading "salaries and expenses, bureau of prisons" contained in title II (the Department of Justice Appropriation Act, 1956) of the Departments of State and Justice, the Judiciary, and related agencies Appropriation Act, 1956 (69 Stat. 273; Public Law 133, 84th Congress; 5 U. S. C., sec. 298a), which reads as follows: "Provided further, That the Attorney General hereafter is authorized, without regard to the Classification Act of 1949, to place three positions in grade GS-16 in the General Schedule established by the Classification Act of 1949"; and

(2) Section 633 of the Department of Defense Appropriation Act, 1956 (69 Stat. 320; Public Law 157, 84th Congress; 5 U. S. C., sec. 171d-2).

(b) Positions in grade 16, 17, or 18, as the case may be, of the General Schedule of the Classification Act of 1949, as amended, immediately prior to the effective date of this section, under any provision of law repealed by subsection (a) of this section, shall remain, on and after such effective date, in their respective grades, until other action is taken under the provisions of section 505 of the Classification Act of 1949 as in effect on and after such effective date.

The CHAIRMAN. The Clerk will report the committee amendments, and without objection they will be considered en bloc.

There was no objection.

The Clerk read as follows:

Committee amendments:

Page 7, line 17, immediately before the period insert "or which may be required by the Congress or a committee thereof."

Page 7, line 24, strike out "consider" and insert in lieu thereof "find."

Page 8, line 2, strike out "or the public interest."

Page 8, line 5, strike out "considered" and insert in lieu thereof "found."

Page 8, lines 6 and 7, strike out "or the public interest."

Page 8, line 10, after "present", insert "all."

Page 8, lines 11 and 12, strike out "in executive sessions of such committee."

The committee amendments were agreed to.

Mr. MCCORMACK. Mr. Chairman, I move to strike out the last word and ask unanimous consent to speak out of order.

The CHAIRMAN. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. MCCORMACK. Mr. Chairman, we have read in the newspapers today and yesterday and the day before of a visit made to Egypt by the Soviet foreign minister who recently succeeded Molotov, and we find in the news items the offer of the Soviet Union early this year to help finance a \$1.2 billion project for harnessing the waters of the Nile, the Aswan Dam. We find that apparently conversations are taking place between Premier Nasser of Egypt and the Soviet foreign minister in relation to that matter as well as other assistance from the Soviet Union. We have read of Soviet offers of the same nature to other countries, and that raises in my mind a question as to what the policy of our country should be. Are we going to rush in, after the Soviets have made some kind of an offer, and make a bigger offer? Or are we going to call the turn somewhere along the line with reference to some of these large commitments?

The attitude and the action of the Soviet Union presents a serious question that our Government and all Americans must consider because, after they have made an offer and we have gone in and made a larger offer, they can then gracefully withdraw and say to the country who is to be the beneficiary, "See? We got America to do it for you." And then they get the benefit of it both ways. And in some cases we do not even receive the minimum feeling of gratitude.

There is a question whether the Soviet Union can go through with its commitments, but in any event, since such offers are made, the evidence seems to be that our country rushes in and raises the ante and offers more. Repeating the result is that the Soviets are thus permitted to back out gracefully but they are enabled to say to the people of, say, Egypt, or other countries, "See? We got you the offer from the United States. It is our action that has gotten you American aid and increased aid. It is we who are your best friends."

Since an offer came from the Soviet Union and the United States then comes in and increases the offer of aid, the whole benefit, it seems to me, redounds to the Soviet Union. No matter how it works out, we lose.

I have been a strong advocate of point 4 assistance. But I do not like this situation where the Soviet Union is moving in and then we come in after them with an offer of more aid, greater assistance,

larger loans; then they move out and receive the benefit of the appreciation of the beneficiary, while we get no benefit.

It seems to me that somewhere along the line, particularly in the case of large countries—of course, in the case of a small country, the Soviet could probably go ahead with their commitment—but in the case of a large country, or in the case of a large commitment such as that of the Aswan Dam, our officials should say, "All right, Soviet Union, we have been helping, we have been rendering assistance, we have assisted Egypt in the sum of so many tens of millions of dollars; if you want to come into this field, we are glad to see you do it." Then the issue would be put up to Nasser, because he knows in his own mind that the probabilities are that the Soviets cannot carry out their commitment.

It is getting to be humiliating for us to read of these events. I do not say that the administration does not have it in mind.

My remarks are not to be misconstrued. They are my own personal remarks as an American and in my individual capacity as a Member of the House.

The CHAIRMAN. The time of the gentleman from Massachusetts [Mr. McCORMACK] has expired.

Mr. McCORMACK. Mr. Chairman, I ask unanimous consent to proceed for 3 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. McCORMACK. Mr. Chairman, I am not talking as a Democratic Member, but as an American. I think my few remarks here today pretty much represent the views of the great majority, if not all, of my colleagues, without regard to political affiliation.

It is embarrassing to have the situation in which this great Nation of ours is placed. When we give assistance, at least there ought to be a minimum amount of gratitude for it. We are doing it in our own national interest, but it is also in their national interest.

As I view the situation in Egypt, Mr. Nasser is confronted with a very acute economic question. His playing with the Soviet Union does not deceive me or my colleagues. No matter how strong he might become militarily as a result of Communist aid in that field, his basic problem is an economic one. I think in his own mind he realizes he cannot rely on the Soviet Union, because even if they did give aid they would exact from him attributes of the sovereignty of his own country in addition to other exactions.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. McCORMACK. I yield to the gentleman from Iowa.

Mr. GROSS. What the gentleman is saying is that too many countries are playing both ends against the middle; that is, they are playing the United States off against Russia and Russia off against the United States.

Mr. McCORMACK. That in plain language is a fair statement and represents my state of mind.

Mr. GROSS. I would hope, then, with that commendable statement from the gentleman, that when the foreign hand-out authorization bill comes back from the Senate with a greatly increased amount of money, the gentleman will join some of us in sending it to conference with insistence upon the figures in the House bill.

Mr. McCORMACK. My remarks are addressed to those who are administering our foreign aid, asking them to realize that there has to be a reappraisal in the light of the policy of foreign aid and in the light of our rushing in to give greater aid and greater benefits, with the result that the Soviet Union gets the full credit in those countries and all we find is an anti-American atmosphere.

Mrs. CHURCH. Mr. Chairman, will the gentleman yield?

Mr. McCORMACK. I yield to the gentleman from Illinois.

Mrs. CHURCH. I should like to congratulate the majority leader on what I think is a splendid analysis of the situation. I hope he will not object to my reminding him that the gentleman from Virginia [Mr. HARRISON] and I have had resolutions introduced for some time to permit a reappraisal of our foreign-aid program. I mention this merely in the hope that the gentleman may see fit in his power and kindness to get those resolutions out for consideration.

Mr. McCORMACK. I am aware of those resolutions. If any action is taken toward the establishment of a commission, not to investigate but to survey our foreign commitments and actions in relation to mutual assistance, because I am sure no one would want an investigation, but rather a survey, I favor its being done on the legislative level rather than by a commission in the executive department. That is no reflection on the executive department. However, in a sense, such a commission would be investigating the very branch of Government that brought it into existence.

My voice is raised not as majority leader but as a Member of the House simply to show concern about the unfortunate position of our great country, that does not want one inch of land from another country. We are being placed in this position by the maneuverings of the representatives of the Soviet Union. Then our representatives try to outbid them. The Soviet Union is then permitted to retire gracefully without any commitment and say, "See what we have done for you? We forced the Americans to do it."

To me, that is humiliating and calls for some kind of clear thinking and affirmative action on our part by which we at least call the bluff of the Soviet Union.

Mr. HENDERSON. Mr. Chairman, with respect to H. R. 11040, it is not news to anyone that the United States no longer has the tremendous lead that it once enjoyed in military strength, airpower, and international prestige. Other nations of the world have challenged our position and as they offered the challenge, have themselves begun energetically to work at the task of assuming a prominent role in world leadership.

Nor is it any secret that our Government is facing grave difficulties in obtaining the necessary key scientific personnel to keep pace with the requirements of modern-day warfare.

Our committee hearings on this legislation disclosed that inability to attract and retain competent top-level scientific professional, technical, and administrative personnel is one of the most pressing problems faced by the Department of Defense, the National Security Agency, and the National Advisory Committee for Aeronautics. Private industry has found the necessity for such top-level personnel, and private industry is prepared to pay substantially higher wages than is the Government, under existing legislation.

Witnesses before our committee pointed out that although it is possible to keep key personnel when the wage differential may be 50 percent, that those people who are in key positions with the Government are devoted to their work and hesitate to change, when the monetary difference between what industry is paying and what Government is paying is not too great. But, tell a man with a growing family who wants to own his home and have a better car that he can go into private industry at 2 or 3 times the salary that he is receiving from Government and it takes a unique type of loyalty to keep him there.

And that is just what our departments of Government have discovered to be the case. The condition is particularly evident in the field of research and development. These programs have increased in size. They have grown more complex, and the demands are far more urgent. This bill is designed to help those departments of Government to attract and retain the talent which is necessary for the programs. They are not able presently to attract and retain these talents because of the shortage of higher level positions. This legislation would increase from 45 to 275 the number of scientific and professional positions in the Department of Defense under Public Law 313 as amended, provide 56 positions for use by the National Security Agency, increase from 10 to 60 the number of such positions in the headquarters and research stations of the National Advisory Committee for Aeronautics under Public Law 313, as amended, and authorize the Secretary of the Interior to establish and fix the compensation for not to exceed 10 such positions in the Department of the Interior, and finally to authorize the Secretary of Commerce to establish and fix the compensation for not to exceed 35 such positions in the Department of Commerce, making a maximum total of 375 such positions. These positions would pay not less than \$10,000 or more than \$15,000 as provided in Public Law 313, as amended.

I would like to point out here very emphatically that these are positions in the classified Civil Service, and that the salaries thereof as well as the qualifications of proposed appointees will be subject to prior approval by the United States Civil Service Commission.

Now, in addition to those positions, one other section of the bill provides that the

Secretary of Defense may place 285 positions in grades 16, 17, and 18 of the general schedule of the Classification Act of 1949 in lieu of 236 such positions now allocated to that Department by the Civil Service Commission. The difference between 236 and 285 is a net increase of 49 such positions. This is done by adding a subsection F to section 505 of the Classification Act of 1949. The 236 positions thereby released will return to the Civil Service Commission and be available for allocation to other departments and agencies of Government in accordance with section 505 of the Classification Act.

One further change is made with regard to section 505 by the enactment of this bill, as follows: Under section 505, as previously established, allocation of these so-called supergrades has been left exclusively to the Civil Service Commissioners in accordance with their determination of the needs. By the enactment of this legislation, Congress is saying that of the supergrades authorized 285 of them will be for the exclusive use of the Department of Defense.

The bill provides for a detailed system of reporting so that the Congress may maintain very close watch over the use of the scientific and professional positions. This is done two places in the bill—one on page 4, section 3, of the act of August 1, 1947, as amended, and again on page 6, where a new section of law is being enacted with regard to the reporting of supergrades by those agencies to whom they are assigned by the Civil Service Commission and by this act.

Insofar as the individual positions are concerned which are being filled by this act, each of them were detailed to us in the hearings, and in the opinion of our committee were fully justified. The day has come when, unless our strategic branches of Government can recruit and retain its key professional, scientific, and top executive career personnel, it cannot keep pace in this battle of wits, in this struggle for ideals, and in the campaign for military strength in which it is engaged in this day of democracies versus communism.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. SIKES, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H. R. 11040) to advance the scientific and professional research and development programs of the Departments of Defense, the Interior, and Commerce, to improve the management and administration of certain departmental activities, and for other purposes, pursuant to House Resolution 516, he reported the bill back to the House with sundry amendments adopted by the Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered.

Is there a separate vote demanded on any amendment? If not, the Chair will put them en gros.

The amendments were agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

The bill was passed.

A motion to reconsider was laid on the table.

GENERAL LEAVE TO EXTEND

Mr. REES of Kansas. Mr. Speaker, I ask unanimous consent that all Members desiring to do so may extend their remarks in the RECORD on the bill just passed.

The SPEAKER. Is there objection to the request of the gentleman from Kansas?

There was no objection.

CREDIT FACILITIES TO FARMERS AND AMENDING BANKHEAD-JONES FARM TENANT ACT

Mr. COOLEY. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 11544) to improve and simplify the credit facilities available to farmers, to amend the Bankhead-Jones Farm Tenant Act, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H. R. 11544, with Mr. MACHROWICZ in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. Under the rule, the gentleman from North Carolina [Mr. COOLEY] will be recognized for 30 minutes, and the gentleman from Kansas [Mr. HOPE] will be recognized for 30 minutes.

Mr. COOLEY. Mr. Chairman, I yield 15 minutes to the gentleman from Texas [Mr. POAGE].

Mr. POAGE. Mr. Chairman, the bill the committee brings to you today is an extension of the powers of the Farmers Home Administration in several different respects. In the first place, I should mention that this extends the period for emergency loans from June 30, 1957, to June 30, 1959, and it increases the authorization for such emergency or disaster loans from \$15 million to \$65 million—an increase of \$50 million for the next 3-year period. It is perfectly true that the new period of extension does not start until 1957, but the present money is used up. The Department has advised us on several occasions that we should proceed expeditiously to provide additional authorization. The other body has made provision in the form of a separate bill. We have included that provision in this general bill.

Along with this extension of time and in the amount of money that we have brought to the House, there are several

changes in the scope of the activities. We have for the first time made provision for loans to part-time farmers. It has become more and more apparent every month that a large portion of the farmers of America simply cannot make a living on the farm. More than one-third of all the farmers in America today find that they secure a major portion of their income off the farm. By that I mean a very large share of the people who till the soil in America find it necessary to supplement the income they get from their farm by work performed off the farm. That may mean they are engaged in a business of some kind or it may mean, and oftentimes does mean, that they are employed in industry in some adjoining community. But, in any event it means that the farms simply are not paying enough to make it possible for farm families to rear their families on the farms. In the past, the Farmers Home Administration has been restricted in its loans so that it could make no loan to any farmer unless he received the major portion of his income from the farm operation.

That automatically eliminated about one-third of the farmers of America, and generally eliminated those with the smallest income. We have felt that we should not open the door by inviting people who are now employed in industry or in business in town to go into the country and become part-time farmers, and thereby further aggravate the situation. But we found that such a large portion of the people who live on the farm have been depending on a job to pay their living that it makes it impossible under present regulations to finance their operations. The farmer who may have let us say 15 or 20 or 50 acres somewhere out in the country, where he might have made a livelihood in the past, but who now has a position in town is ineligible for a FHA loan at this time, even though he still lives on the same farm. So we say in this bill that if a man during the past 10 years has in any one of those years depended on the operation of his farm for his livelihood, even though today he is making a large share of his living working in town, we will be able to make him an operative loan to carry on his farming operation. We will be able to make him a loan for improving his equipment, his housing, and other activities that are related to his farming activities; but we cannot make him a loan under this bill to carry on a grocery business in town; but we will make him a loan to carry on his farming activities and take as security those farmlands, farm tools, housing, and other facilities that he uses in connection with his farming activities.

We then provide in this bill for a refinancing of existing farmers who are on farms of not more than family size, if the farmers are presently unable to meet the payments and conditions of their outstanding indebtedness and are unable to refinance their debts with commercial banks. But we specifically provide that this can only be done when the creditors of such a farmer are, if necessary, willing to so scale down the total indebtedness that the man, when refi-

nanced, will have security for the loan. In other words, we are saying that we are not going to refinance a man and still leave him owing more than his assets. If we did that sort of thing, all we would be doing would be bailing out the creditors. We would not be helping that man at all. But we are saying to those creditors, if a farmer is in such desperate condition because of a drought, crop failures, or low prices; if he is in such desperate condition that there is no way possible of being able to pay off his creditors, you get together, and if you will let the Farmers Home Administration take over the assets, take the liens, and scale down the debts, then we will let you step out, and we will carry the farmer. We think that is sound procedure. We think it is absolutely necessary procedure in a great many of the disaster areas.

Mr. COOLEY. Mr. Chairman, will the gentleman yield?

Mr. POAGE. I yield, certainly.

Mr. COOLEY. We have heard a lot of talk about the small farmers. I just want to suggest to the gentleman that it might be well for him to emphasize the fact that this agency deals only with small farmers, and that the provisions we are now presenting will be beneficial to the small farmers of America.

Mr. POAGE. Our chairman is exactly correct, as he always is. This agency, the Farmers Home Administration, deals only with what we call small farmers; the small family-size farmer, the farmer who cannot get commercial credit.

I know there are always questions asked about what is a family-sized farm. Let me answer it for you as best I can. A family-sized farm is a farm of whatever size is necessary to most efficiently use the labor and equipment of the family on the farm. That may well be vastly different in different sections of the country, depending on the type of agriculture, and it may be different for different farmers in the same neighborhood.

If the family group is capable of operating a farm of 50 acres with the employment of a minimum of outside labor, 50 acres is a family-sized farm for that family.

But maybe that family is growing tobacco, maybe they cannot efficiently handle more than 5 acres of tobacco or 2 acres without employing a large amount of outside labor. In such case 2 acres would be the family-sized farm for that family.

On the other hand, maybe a family is out in Colorado, where possibly the only way of making a living through farming is the operation of livestock. They may require two sections of land there or even more. Whatever it takes to efficiently use the resources of that family is what we consider a family-size farm.

We attempt in this bill to say that the United States Government is going to assist these families in continuing to stay on the farm. We say that "You have gone through hard times, you are still going through hard times, so it may be necessary to extend the period of your pay-out"; so we provide in this bill that there is an extension of the period.

The present law provides that none of these loans can be extended beyond 7 years, and I feel that that was probably a sound provision. I do not think that it is fair to any farmer or other individual to give him credit over a lifetime without any possibility of ever paying it out. So we provided a limit of 7 years. But in this bill we have said that if the farmer lived in a disaster area which has been certified by the Secretary of Agriculture as a disaster area, and if he has a sound reason for not having met his payments; if, in other words, in the eyes of the Secretary of Agriculture he is a meritorious case and is in a disaster area, the Secretary can extend his loans by the same number of years that he has been in the disaster area. In other words, if he has had only 1 year of disaster, then he may have an 8-year period; or if he has lived in a disaster area—and I know of some who have lived 5 long years, then he may add 5 to that time and he may have a 12-year payout.

We have also added in this bill to the amount that can be loaned. We have increased from \$7,000 to \$9,000 the maximum amount of original loans for operating purposes, and we have increased from \$10,000 to \$15,000 the indebtedness that the borrowers can owe at any one time.

Remember, the limits in the present law were based on values of about the year 1947. At that time \$7,000 would buy a whole lot more equipment, would support a much larger operation than \$9,000 will today. So we are actually squeezing down rather than extending the size of the operations these people can carry on. But we have said that we are not going to try to hold strictly to the 1947 purchasing power of the dollar.

I believe there is about one more thing in this bill that is deserving of attention. I hope you will understand it. We have provided here for the settlement of certain uncollectible debts. Our record in regard to the collection of these debts has been very excellent, far better than almost anyone would dare predict that it might possibly be. We have charged off less than 1 percent. But of course we have had 5 years of terrible searing drought in large parts of this country. We have had 3 years of terrifically low prices in this country and obviously some people are not able to pay out. Some of these loans were made purely upon the crop, but no crop was grown. Sometimes we took a mortgage on household chattels, the dishes, the wash pot, the cooking stove, and that sort of thing.

The Attorney General came before us and told us that it cost an average of \$150 to collect one of these debts. He will not take them, I am told, unless they amount to \$200. We felt it was ridiculous to spend that amount of money in an effort to collect a lesser amount, so we have authorized the Secretary of Agriculture to compromise and to write off indebtedness of less than \$150 where he certifies there is no possibility of collection and there is a meritorious reason for releasing the debtor. We think that is sound. It is true that the former limit was only \$10, but the Government has been losing money in trying to collect something

that we could not collect. Such efforts have accomplished nothing except to cost the taxpayers money. We believe this is the businesslike procedure and is what every big business in the United States does.

Mr. Chairman, I believe that covers the major aspects of this bill. I want to point out that the gentleman from Maine [Mr. McINTIRE] has probably a better knowledge of all of the details of this matter of credit than almost any member of our committee and I know he will cover any details I have omitted.

Mr. HOPE. Mr. Chairman, I yield 10 minutes to the gentleman from Maine [Mr. McINTIRE].

Mr. McINTIRE. Mr. Chairman, the chairman of the subcommittee of the House Committee on Agriculture dealing with agricultural credit, the gentleman from Texas [Mr. POAGE] has given you a good explanation of this bill. I would like to point out that this subcommittee had before it two major pieces of legislation relative to agricultural credit in this session. One has already been reported to the House and passed by the House. That bill dealt with establishing the legislative basis upon which units of the Farm Credit Administration could retire from their capital structure the capital subscribed in to them by the Federal Government. In that legislation we did not change the lending authority particularly of those units, but simply provided for a basis of retiring their capital.

In the bill which is before the Committee today we are changing substantially the lending authority of the Farmers Home Administration. These two substantial portions of the extension of authority have already been touched upon by the gentleman from Texas [Mr. POAGE] and they deal primarily with authorizing the lending to part-time farmers, both in the area of the refinancing of existing indebtedness and also in the area of operating loans.

In this bill there is new authorization because existing legislation does not permit the Farmers Home Administration to function in this particular field.

The second major provision of this bill deals with an authorization to the Farmers Home Administration to refinance the debt structure of a farmer when the debt is not related to that of refinancing any other function like the acquiring of additional land or the improving of buildings or something of that nature, which functions are already authorized in existing legislation.

I would like to point out to you that under the leadership of the chairman of this subcommittee we have dealt with approximately 25 bills presented to the committee by various Members of the House. We have tried to take from all of these bills that were presented to and referred to the subcommittee some of those provisions and bring them together in the bill before you today.

Now, in considering these various measures set forth in these various bills we have not gone the full limit, as the gentleman from Texas [Mr. POAGE] has indicated, that was set forth in the bills as introduced. We have attempted to

put up some limitations, you might say, which we think, and are quite certain, will be helpful to the Farmers Home Administration in administering the provisions of the bill. We have not gone the full limit of some of the extensions of authority which were contained in some of those bills. But, out of this consideration we do believe we have before you today a bill which will meet the needs of many farm people. We do feel that in this field of part-time farm operators there is a need for lending for agricultural purposes. We have tried to hedge the eligibility of those farmers so that we are dealing with bona fide farm people. We have tried to make sure that we are dealing with folk who know how to operate a farm, and we are certain that we have laid down provisions which will mean that the ability of these farmers and the farm unit itself will be such that they can constructively be served, and we also believe that these limitations we have laid down will permit sound loans to be made and that the Government's interest in these loans is fully protected.

I would like to touch for a moment on this field of refinancing existing indebtedness. I think it might be said that this closes perhaps the one remaining gap in the whole field of agricultural credit and authorizes the Farmers Home Administration to deal with about every conceivable credit problem which might exist at the farm level. It is about the only field in which they have not had authorization previous to this time. They have existing authority under title I of this act to assist a farmer in rounding out an economic unit, acquiring more land, or improving buildings and to refinance outstanding indebtedness which might exist in relation to that operation if it seemed a constructive thing to do. However, they have not had authority up to this time to loan for the direct purpose of refinancing existing indebtedness without incorporating into that lending some additional feature like new land or improvement of buildings. This legislation closes that gap and will permit the Farmers Home Administration to make, on a long-term basis, loans which have for their primary purpose the consolidation of indebtedness in instances where the indebtedness structure is such that consolidation is constructive in the more efficient management of the farm operation.

That, to me, is a major step, and I want to emphasize it, because it will do what a number of Members indicated they felt should be done in this field of agricultural credit. The bill extends the lending base and an authorization for lending over and above what is permissible under the law in relation to land-bank loans which can, of course, be used for refinancing indebtedness and taking as security a real-estate mortgage.

Mr. HORAN. Mr. Chairman, will the gentleman yield?

Mr. MCINTIRE. I yield to the gentleman from Washington.

Mr. HORAN. I am very happy to see on page 2 of the report some mention made of long-term loans to orchardists. As we all know, when trees are planted,

it takes about 8 years for them to produce. I wonder if the gentleman could comment on the wording on page 2 of the report.

Mr. MCINTIRE. I would be very happy to, because the committee had this matter under consideration since interest had been expressed by Members of the House by bills introduced relative to the problem in areas where disasters had occurred, and this relates particularly to orchard loans, that in lending for the reestablishment of their orchards the time of repayment was not designed on the ability to repay from the reestablished portions of the orchard. Administratively I believe the Farmers Home Administration has been extending this repayment period for perhaps up to the second crop and from that time on payments would be required. It was the opinion of the committee that authority rested in existing legislation to extend the repayment period. So we placed in this report the section to which the gentleman from Washington [Mr. HORAN] referred, on page 2. It says:

Consequently, if the purpose of the loan is to reestablish an orchard destroyed by the disaster and repayment is to be expected solely from the production of the orchard, the first repayment installment should be deferred until the income is expected from the reestablished orchard.

I am sure that it was the intent in our committee that this type of loan shall have established a repayment schedule which will fit the ability of that orchard to repay the loan rather than to have it short of the repayment ability of the reestablished orchard.

Mr. MAHON. Mr. Chairman, will the gentleman yield?

Mr. MCINTIRE. I yield to the gentleman from Texas.

Mr. MAHON. Mr. Chairman, I should like to state a situation and get the gentleman's views on it, knowing he is an expert in this field.

In my area we have had considerable drought over a period of years. By reason of irrigation, many farmers have done reasonably well; but the impact of a drought over so long a period of time on the dry-land farmer has been considerable on the farmer, the bank, and on the hardware dealer, the implement dealer, and others.

The CHAIRMAN. The time of the gentleman from Maine has expired.

Mr. HOPE. Mr. Chairman, I yield the gentleman 3 additional minutes.

Mr. MAHON. Some of my banker friends in certain areas feel, and I agree with them, that the FHA has not gone far enough in refinancing people who have been put in such desperate straits by the prolonged drought. The FHA apparently has been afraid that it would be accused of bailing out the banks and officials of the FHA seem to think that that would be unpopular. I think that sort of thing might be overdone; but the bank is an important institution in a community and it is not improper to help a farmer just because the banker and merchant are likewise helped.

My question is this: Under this bill, H. R. 11544, can the administrators of FHA do a better job in helping coordinate a man's indebtedness, helping him

to meet his banking obligations and his obligations to other creditors and getting himself in a position where he can work himself out of the dilemma in which he finds himself by reason of abnormal weather conditions or other conditions which have militated against him for a period of years?

Mr. MCINTIRE. Mr. Chairman, I think I can answer that very frankly and say that in my opinion this will accomplish that objective. There are, of course, various disaster-type loans, but we shall not go into all of the criteria relative to those. But this proposed legislation will permit the Farmers Home Administration to go in and refinance outstanding indebtedness, either on a direct-loan basis or an insured-loan basis and permit a consolidation of indebtedness, taking as collateral security a real-estate or personal-property mortgage, whichever seems to be wise.

I think the answer is that this will do an effective job in that field. They have not had the authority up to this time.

Mr. Chairman, it is my opinion that this legislation will fulfill, in part, the administration's objective of effectively developing our rural resources, particularly in areas of small family-size farms, by providing a better agriculture credit base.

The CHAIRMAN. The time of the gentleman from Maine [Mr. MCINTIRE] has expired.

Mr. COOLEY. Mr. Chairman, I yield 5 minutes to the gentleman from Arkansas [Mr. HAYS].

Mr. HAYS of Arkansas. Mr. Chairman, I am reluctant to take any of the time of the committee, but I do wish to direct a question to the gentleman from Texas [Mr. POAGE], who has rendered such an excellent public service in connection with this bill.

I have listened with great interest to what he has had to say and also to the remarks of the gentleman from Maine [Mr. MCINTIRE] who has given us such an enlightening statement.

The gentleman from Texas will recall that in 1937, when the Bankhead-Jones Act was adopted, I was a member of the legal staff of the Department of Agriculture and took a great deal of interest in the problems covered by this legislation.

I remember sitting in the gallery the afternoon that the beloved Will Bankhead came into the well for one of his infrequent speeches to plead for the passage of that bill. I recall the contribution that was made by the gentleman from Texas, the gentleman from North Carolina [Mr. COOLEY], the gentleman from Kansas [Mr. HOPE], the gentleman from Minnesota [Mr. AUGUST H. ANDRESEN], the gentleman from Minnesota [Mr. H. CARL ANDERSEN], as well as the other senior members of the Committee on Agriculture on that occasion and subsequently.

We know that some mistakes were made in the early days of the Farm Security Administration in administering the act. I have been happy to see the improvements that have enabled us to profit by the experience of that agency.

One of the things that has distressed me however has been the loss of a sort

of crusading spirit, that sense of serving the people who need help at the hands of their Federal Government. But it was true of the Extension Service that at one stage its spirit seemed to lag. It was history repeating itself as economic problems tended to diminish. I would like to ask if the gentleman agrees that while we might not require a crusading spirit there must be something of the sense of idealism in human service if this program is to be made the vital program for the benefit of the Nation that it ought to be.

Mr. POAGE. Mr. Chairman, will the gentleman yield?

Mr. HAYS of Arkansas. I yield to the gentleman from Texas.

Mr. POAGE. I think the gentleman's statement should cause me to point out to the House that not only did he take an interest in this program when he sat in the gallery in 1937 but he has taken a deep and very helpful interest in the Farmers Home program ever since he has been a Member of this House, and that has been a good many years. He has been one of the most helpful Members in trying to maintain that spirit of which he speaks.

The committee had in mind exactly the thing the gentleman is suggesting when we wrote this bill. We recognized, as I tried to point out a while ago, that one-third of the farmers of America are presently cut off from the benefits of the Farmers Home Administration because they are dependent upon outside sources of income for their livelihood. We recognize that there has been a change in agriculture, and that if we are to continue this program as one of service to the less wealthy groups of farmers we have to make some change in our program. We have tried to make it in this bill.

I believe you will observe that every change in this bill is intended to make the legislation of greater service to more of the small family-sized farms of America than it has been in the past. I think the gentleman from Maine [Mr. McINTIRE] put his finger on it when he said we were closing up a number of the gaps that had heretofore existed. We see an evil and we try to correct it. We see another evil and we try to correct it. We have tried in this bill to close many of those gaps in the needed credit structure for the family-sized farms.

Mr. HAYS of Arkansas. I appreciate very much what the gentleman has said in response to my question. I also appreciate what he said about me. I hope he will leave those remarks in the RECORD.

Mr. MAHON. Mr. Chairman, will the gentleman yield?

Mr. HAYS of Arkansas. I yield to the gentleman from Texas.

Mr. MAHON. I commend the gentleman from Arkansas for bringing out in such a clear way the point that in the last few years some of the heart has gone out of the FHA and because of that agriculture has suffered. I am not discounting, of course, the good work that has been done. I hope the passage of this bill and these remarks on the floor of the House today will tend to invigorate the administrators of this program, causing

them to make a more aggressive approach to the problem. Regardless of this act, it will not succeed unless there is a disposition down in the Department and out in the field to do the job of helping worthy people who are in need.

Mr. HAYS of Arkansas. I appreciate that very much. I think these are wholesome signs we have of a bipartisan legislative effort to encourage it.

I remember back in the old days when this program was being carried on to help family-sized farms there was a little school out in a rural section that had only 20 pupils. The teacher asked, "Who is the President of the United States?" Nobody answered. She said, "Doesn't anybody know the name of our President?" Finally one little fellow held up his hand and said, "Miss Myrtle, I don't know the name of our President, but Mr. Hanna is our Farm Security Supervisor." It was his tie to the Federal Government.

We all know, Mr. Chairman, of the threat to the family-sized farm. There are many evidences of concern over this trend and this bill embodies constructive ideas to arrest it. The Appropriations Subcommittee headed by the gentleman from Mississippi [Mr. WHITTEN] has also assumed leadership in the movement, particularly in stressing the value of supervision of certain activities where this type of credit is supplied. Such supervision is not resented; it is welcomed, and is the key to the success of the program.

Another indication of interest is in the discussions in the Banking and Currency Committee pertaining to the problems of underemployment in certain rural areas. The problem of low incomes in these areas must be attacked on many fronts. I am glad that this particular piece of legislation is being advanced today as one method of dealing with a major problem.

Mr. HOPE. Mr. Chairman, I yield 18 minutes to the gentleman from Colorado [Mr. HILL].

Mr. HILL. Mr. Chairman, on March 8, 1956, I introduced in the House as did Congressmen HOPE, HOEVEN, AUGUST H. ANDRESEN, H. CARL ANDERSEN, and perhaps others, H. R. 9843, a bill which would provide for expanding farm credit through the Farmers Home Administration.

Since this program was originally set up under the Bankhead-Jones Farm Tenant Act under title I and title II, the bill I introduced, H. R. 9843, was a bill to improve and simplify the credit facilities available to farmers, to amend the Bankhead-Jones Farm Tenant Act, and for other purposes.

When the Committee on Agriculture considered this legislation, we held extensive hearings and the Department of Agriculture testified in detail as to the changes they wished to have made through H. R. 9843.

In order to bring to the House a bill that would include the changes that were made by the committee, a new bill was introduced which bears the name of our chairman [Mr. COOLEY] and is H. R. 11544.

The committee report was presented to the House on June 4, 1956.

While the changes are considerable, and the legal matter rather complex, the changes are not as full and complete as I had hoped we could make them, nor do they satisfy the Department in all the changes proposed in this legislation. In many cases they do not go far enough nor do they provide the FHA with the flexibility of operations especially necessary in drought or flood areas, or where other calamities have occurred.

I feel certain H. R. 9843 would have been better agricultural legislation but bow to the will of the majority of our subcommittee which handled this matter, and since the Committee on Agriculture reported the bill out unanimously, I support the measure and hope in the end the other body will make some additional changes which our committee seemed reluctant to make.

In discussing this matter I call the attention of the House to four suggestions made by President Eisenhower early in the 84th Congress.

In his message of April 27, 1955, he suggested:

First. That FHA be given authority to make loans to part-time farmers. This is being done in the bill I introduced and is also a part of H. R. 11544 that we are now considering. My own feeling is, and was, that this should have been considered and passed by the Congress during the early part of last year.

The second request made by the President in early 1955 was that money in addition to the regular budget be provided for extensive research—soil conservation, farm loans, and related services. This legislation, of course, would have required an appropriation, but no action was considered and nothing was done.

The third thing the President suggested in the message to the Congress in April 1955 was that funds should be provided for pilot programs to be conducted to secure information to aid the low-income group or type of farm. Here considerable data should be collected before outlining a definite program for such projects. We need this information, and here again this program should have been on its way over a year ago.

Finally, the fourth suggestion made by the President in his message to the Congress in 1955 was the authorization of \$30 million for the Farmers Home Administration to be used in the operation of disaster programs throughout the entire United States, whether it was from a flood on the east coast, hail or cyclones in the Mississippi-Missouri Valley, or from freezes destroying fruit in the fruit areas. In other words, a general appropriation for disaster use in farm communities.

The major changes in H. R. 11544 are given on page 2 of our committee report, and I quote:

MAJOR PROVISIONS

(1) Authorizes the refinancing of existing indebtedness of eligible farmers on farms of not more than family size if the borrowers are presently unable to meet the terms and conditions of their outstanding indebtedness and are unable to refinance such debts with commercial banks, cooperative lending agencies, or other responsible credit sources

at rates and terms which they could reasonably be expected to fulfill. The bill authorizes FHA to accept a second mortgage for direct loans for this purpose, but not for insured loans.

(2) Authorizes FHA to make loans, for the first time, to part-time farmers. Loans authorized include those for real-estate improvement and development and loans for operating expenses. To be eligible, a borrower would have to be a bona fide farmer who has depended on agriculture for his livelihood for at least 1 year out of the most recent 10 and who is conducting a substantial farming operation at the time the loan is made. Such loans may also be made for refinancing but not for the acquisition of such a farm unit.

(3) The bill extends from June 30, 1957, to June 30, 1959, the authority to make economic-emergency loans under Public Law 727, 83d Congress, and increases from 15 to 65 million dollars the amount of money from the loan revolving fund which may be used for such loans.

(4) Increases from \$7,000 to \$9,000 the maximum amount of an initial loan for operating purposes and from \$10,000 to \$15,000 the total indebtedness for such loans a borrower may have outstanding at any one time.

(5) Authorizes the Secretary to extend the repayment period of regular operative loans to farmers in disaster areas by the number of years the area has been classified as a disaster area.

The report explains fully in the analysis of the bill the changes in section (1) real-estate loans; section (2) operating loans; section (3) general provisions; and section (4) economic emergency loans. Since these are given in detail in the report, I will not take the time of the House to discuss the analysis.

A great Secretary of Agriculture, William M. Jardine, Secretary of Agriculture from 1925 to 1929, said, and I quote:

Could a farmer of the Pharaoh's time have been suddenly reincarnated and set down in our grandfathers' wheat fields, he could have picked up the grain cradle and could have gone to work with a familiar tool at a familiar job. And then, within the space of 20 years, the methods of crop production underwent greater changes than they had in the previous 5,000 years. At one stride, we covered ground where 50 centuries had left almost no mark.

True as the above quotation is—a statement made in the late twenties—should a statement of the same purport be made today, in this era of technological and scientific advancement, it would be more unusual and striking.

Assistant Secretary Earl Butz of the Department of Agriculture says that agriculture has made more progress since 1855, in the last 100 years, than in all recorded history. So, using a clock as an indicator, more would have been accomplished in the progress of agriculture the last 15 minutes than was accomplished in the previous 11 hours and 45 minutes.

Now carrying this allegory to our farmers, they would be turning out more products in 15 minutes, at the present time, than they would turn out in 11 hours and 45 minutes prior to 1855.

It seems to me that much of our legislative program for our farmers is still operating in the Dark Ages.

Since the late 1920's, the average cost of modern farm equipment for an individual farm has changed from an

average of \$10,000 to \$40,000. It took four times as much to provide the equipment for a farm in 1955 than it did in 1930, yet we hesitate to liberalize our agricultural financial legislation to meet modern production progress.

In early colonial days in the United States, 85 percent of our population lived on the farm and were kept busy producing food for the population. Today 12 to 15 percent of our population live on producing farms and we have a 4 to 6 percent surplus of farm products classed as overproduction or surpluses.

How has such a tremendous production come about? Undoubtedly much of it is due to the fact that each farmer has, ready to use, 33 horsepower in the form of electrical equipment, tractors, or other power farming equipment. Compare this to the twenties when each farmer had 5.3 horsepower or to the 1870's when he had 1.6.

When farm tractors became equipped with built-in power takeoffs, this opened an entirely new type of farm equipment, such as cornpickers, balers, combines, sprayers, and so forth. When tractors became equipped with rubber tires, another great change in the course of agricultural production was instituted. The horse as a farm work animal was ready for extinction. The numbers decreased in 1924 from 23,285,000 to a little over 7 million by 1950.

With tractors equipped from the factory with power lifts, power takeoff, and rubber tires it was only a step further to the use of rear-engine tractor tool bar implements. The revolution of farm equipment had been completed and the number of tractors increased from 920,000 in 1930 to more than 4 million by 1950.

An agricultural statistician has stated that with the advent of the tractor the production of farmers in America in 1944 was enough greater than the average of 1930-39 to feed an additional 50 million people.

In 1930—USDA figures—man-hours to produce an acre of wheat were 5.77. In 1949, in the Great Plains area, man-hours had been reduced to 1.82 hours per acre.

In 1930, in the Corn Belt area, hours per acre to produce a corn crop were 6.9. In 1949, the State of Iowa average was 3.88.

The 1925-29 average to produce an acre of cotton was 9.6 hours. In 1949, in the Texas high plains, 6.5 hours.

Let us take a look at what has been going on in legislation during the same time that we have been making such revolutionary progress in production. The basic Agricultural Act, which specifies that the basic crops are cotton, wheat, corn, rice, tobacco, and peanuts, was passed in 1938, about the same time that agricultural types of farm equipment came into common use. And during World War II, with 20 percent less help on the average farm, the output of American agriculture was able to increase its production over 35 percent.

As we increased our production during the war, and continued to produce at a high rate in the years immediately following the war, we found ourselves with not only an outmoded basic Agricultural

Act on our hands, but basic crops filling up all available storage space at a cost of over \$1 million a day.

With the present understanding of our farm production and its possibilities, it is time, and indeed it is past time, that this Congress should take a look at our agricultural legislation, and it seems to me that we should immediately move toward a nonpartisan study designed to recodify present agriculture legislation and recommend a new type and kind of farm program that will bring into control and direction, not only basic crops as provided in the 1938 act, but bring into a complete, united, and integrated agricultural program all of our food and fiber production.

We should devise a program that will give direction to the progress new research and technological improvements are daily making in the field of scientific farming.

Such a program should strive to eliminate surpluses by finding and encouraging new uses for old crops so that surpluses will no longer plague our most basic industry.

And while doing this, we should not delay the promotion of our soil bank program in which we should not only provide for acreage reserve but a type and kind of conservation reserve to control and develop, conserve, and preserve the topsoil for the benefit of generations yet to come.

Mr. HARVEY. Mr. Chairman, will the gentleman yield?

Mr. HILL. I yield to the gentleman from Indiana.

Mr. HARVEY. Mr. Chairman, I want to thank the gentleman and compliment him on the statement he is making. I wanted to make this observation particularly with regard to part-time farmers, because it has come to be a great factor in modern agriculture. In my own State in particular, I notice a report by the Indiana Business Review, earlier this year, in which it is said that 42 percent of the farmers of Indiana had substantial off-farm employment. This indicates that the farmer of 20 or 30 years ago who was a full-time family farmer, is not today. Many of these people are working in the nearby factories, and also carrying on their farm activities at the same time. In many instances they are just as good repayment risks as those who are full-time farmers. I think the recognition given to this development in agriculture is a commendable one, and I thank the gentleman.

Mr. HILL. I thank the gentleman for his contribution.

Mr. HOPE. Mr. Chairman, I yield 3½ minutes to the gentleman from Utah [Mr. DIXON].

Mr. DIXON. Mr. Chairman, as one of the number of Members who introduced somewhat similar measures I am today, of course, very much in support of the bill before us. I congratulate our subcommittee on the fine work it has done on this report, and its chairman, the gentleman from Texas [Mr. POAGE], also the gentleman from Maine [Mr. McINTIRE], for his effective work. I think he is an expert on farm credit matters.

The purpose of this bill is to liberalize farm credit. If this act is accepted and

passed I am convinced that it will be an unmitigated blessing to our farmers. It is a measure which in principle has been supported by our President, by our Department of Agriculture, and by our Secretary of Agriculture, who said in a recent speech:

When disaster strikes agricultural credit is urgently needed. If there is real distress farmers often cannot meet the standards of commercial credit; collateral is insufficient, terms needed for repayment are too long, and administrative costs are too great. It is in the interest of these farmers and the Nation's interest to help them get onto their feet. These farmers are good credit risks. I want to emphasize that, they are good credit risks, if the lender can afford to wait. Our Farmers' Home loan organization advanced many substantial loans to farmers who could not meet the standards of commercial credit, but their record of 9 years of operation is a 93-percent payout.

The major provisions to liberalize the farm credit law are as follows:

First. For the first time to give these ownership loans to all eligible applicants.

Second. To extend credit to part-time farmers.

Third. It would increase the funds authorized from \$100 million to \$125 million.

Fourth. It would authorize loans solely for refinancing where farmers are not able to get refinancing through private agencies.

Fifth. It would increase from seven to nine million dollars the maximum amount of initial loans and from ten to fifteen million dollars the total outstanding indebtedness.

Sixth. It would permit the Secretary to extend the repayment period to farmers in disaster areas. That is needed very much at the present time.

Mr. H. CARL ANDERSEN. Mr. Chairman, will the gentleman yield?

Mr. DIXON. I yield to the gentleman from Minnesota.

Mr. H. CARL ANDERSEN. The gentleman from Utah was one of those who originally introduced companion bills to those of mine which had to do with these subjects and out of which has grown this proposed legislation. The gentleman exhibited his interest at that time. He has just mentioned the question of extending the term of repayment. While I am in agreement with the bulk of what is in this bill—I think it will do a lot of good—I feel personally very much disappointed that the extensions do not apply nationwide, may I say to the gentleman.

In other words, John Jones who just the other day in my community had 10 inches of rain dumped upon him and lost part or all of his crop, because he is not in a designated disaster area there is no way under this bill by which he can get an extension because that particular area does not come under the provisions of exceptions as outlined in the bill.

I cite local conditions in my district in Minnesota, but the same thing would apply to a farmer anywhere in the United States if his farm did not happen to be located in a so-called disaster area. I hate to think, and I believe the gentleman will agree, that we in the Congress would write general farm credit legisla-

tion and say in it that one of the important benefits would not be available to a farmer—regardless of his individual circumstances—unless he happened to have his farm located in a general disaster area.

As I have said many times before, I do not like sectionalism in national legislation. I want to see all farmers treated alike regardless of the section of our great land in which they live. That is the fundamental principle of our Republic and it should guide us in all legislation.

Personally, I do not believe that it is possible for us, in the brief interval we have for the consideration of such far-reaching legislation, to delineate either areas of need or areas of eligibility for benefits. That being the case, it is much to be preferred that the Congress make desirable benefits available on a general basis and leave something to the discretion of the administrative agencies in the way of determining who can be helped by our action. The county committees, the county supervisors, and the entire staff of the Farmers Home Administration are in a far better position to make such determinations than is the Congress.

The excellent repayment record of the Farmers Home Administration loan program, as the gentleman so well knows, is the best possible evidence of the integrity of the entire operation. I believe action by the Congress in making these extensions available on a national basis is fully justified in light of past experience. I do not believe any unnecessary extensions would be granted, and I believe the results would be beneficial to everyone concerned.

Mr. DIXON. Mr. Chairman, agriculture, in spite of somewhat low prices and declining farm income of the last few years, basically is in a relatively sound condition. For example, the present market value of total farm assets is nearly \$163 billion. This is only \$3 billion less than the total of all farm assets in the peak year of 1955. Compared with total farm assets of \$163 billion, total debt obligations of all farms is only 11 percent of the total assets, about \$18 billion.

Also, only 3 out of every 10 farmers have mortgage debt obligations, and over one-half of all farms mortgaged are mortgaged for less than 30 percent of their market value. In 1955, according to the administrative office of the Federal court system, only 336 bankruptcies for the last 5 years have comprised less than 1 percent of the annual number of such proceedings. I believe these facts indicate the basically sound financial position of American agriculture.

However, certain storm warning signals are beginning to appear which make it prudent for us to consider legislation at this time to help good farmers who cannot obtain credit from private or co-operative sources. In 1955, farm owners borrowed \$2.4 billion on farm mortgage security. This was 26 percent more than in 1954, and represented 19,000 more mortgages than were made in that year, also. Farmers in 1955 borrowed \$483 million from the Federal land bank system and their 1,100 local farm loan associations. This was an increase of

59 percent in the amount of such loans over 1954. Also, \$338 million of this money loaned in 1955 was new money borrowed—a 50-percent increase.

During the first 10 months of 1955, 498 production credit associations lent their farmer members some \$1.1 billion. As you know, these associations lend funds obtained from investors in obligations held by the Federal intermediate credit banks.

You can see, therefore, that even those farmers who have adequate collateral and satisfactory credit ratings are beginning to borrow in increasing amounts and at an increased rate. The Farmers Home Administration of the Department of Agriculture, on the other hand, has had the difficult responsibility of extending credit to good farmers who for various reasons simply cannot meet the standards set by commercial credit institutions, including the local loan and production credit associations I just referred to. The cost-price squeeze that farmers have been experiencing since 1951 has had the greatest effect upon farmers who find themselves in this unenviable position. But as Secretary Benson said in his address of last October 15, before the National Association of Mutual Credit Companies at St. Louis, Mo.:

When disaster strikes in agriculture, credit is urgently needed. If there is real distress, farmers often cannot meet the standards of commercial credit. Collateral is insufficient, terms needed for repayment are too long, and administrative costs are too great. It is in the interest of these farmers—and the Nation's interest—to help them get onto their feet. These farmers are good credit risks if the lender can afford to wait. Our Farmers Home Administration makes substantial loans to farmers who cannot meet the standards of commercial credit. Their records of 9 years of operation show 93 percent of the principal repaid.

So you see, FHA borrowers, as they are called, in general are good farmers and they are good credit risks, provided they are given adequate repayment conditions commensurate with their ability to repay. But many FHA borrowers throughout the country are having extreme difficulty meeting their present obligations. Many other would-be FHA borrowers, especially among the younger farmers, are not going to stay in agriculture unless they can obtain FHA loans on more liberal terms than the Farmers Home Administration has authority to make at the present time. With these farmers in particular experiencing a great intensive negative effect due to the cost-price squeeze, it is essential that the terms of FHA loans be more readily adapted to meet their needs. Especially is this true in drought disaster areas such as those which were designated last year and those this year in Utah.

Mr. Chairman, H. R. 11544 would extend the lending authority of the Farmers Home Administration with respect to real estate or farm ownership loans made under title I of the Bankhead-Jones Farm Tenant Act and title II relating to production and subsistence loans of the same act, as amended.

With real estate values on the rise since mid-1954, it is becoming more difficult for the owners and operators of

small full- and part-time family farms to obtain credit to enlarge their farms through land purchases. In this respect, it should be noted that land prices have advanced more since 1947-49 than most other groups of commodities. The latest USDA reports indicate that as of November 1, 1955, values increased 2 to 4 percent in 31 States during the preceding 4 months' period alone. Likewise, with the costs of building materials, and so forth, on the increase, many of these farmers cannot build and maintain suitable family living quarters and other farm buildings which are necessary to a happy and successful farm operation.

The basic provisions of the bill are as follows:

First. Section 1 (a) would make farm ownership loans for improvements, including housing and other farm buildings, to all eligible applicants rather than just existing borrowers who obtained loans initially for the purpose of acquiring, repairing or improving family-size farms.

Second. Section 1 makes farm ownership loans to farm owners of not larger than efficient family-type farms, who receive a substantial portion of their incomes from farming. Heretofore, loans under title I have been limited to veterans, farm tenants, laborers, sharecroppers and others who obtain the major part of their income from farming operations.

Third. Section 1 would authorize such loans for the repair and improvement on those farms which at present are less than family-type units which constitute the residence of the owner-operator, if the income from outside sources, plus income from the farm, will warrant the making of such loans. Heretofore, farm ownership loans were limited to full-time family-type farms of sufficient size "to constitute an efficient family-type farm-management unit."

Fourth. Section 1 (d) establishes as the maximum amount of a farm ownership loan the fair and reasonable value based on the normal market value of those farms constituting less than family-type units. For a unit that is less than a full-time farming operation, factors other than the earning capacity of the farm generally influence its value.

Loans on full-time family-type farms continue to be based on the earning capacity of the farm. Loans will still be limited to not to exceed the fair and reasonable value of the farm less any prior lien indebtedness.

Section 1 (e) would also authorize the Farmers Home Administration to increase from \$100 million to \$125 million the aggregate amount of mortgages on farm-ownership loans which may be secured in any 1 fiscal year. Section 1 (h) would authorize the Farmers Home Administration to make and insure loans solely for refinancing existing indebtedness of farm owners of farms not larger than family size, who qualify for farm-ownership loans—housing and other farm buildings as well as real estate—under the expanded authority of section 1 of the bill. This subsection authorizes the appropriation of \$50 million of the \$125 million ceiling for this purpose.

This bill also amends title II of the Bankhead-Jones Farm Tenant Act, as amended, as follows:

First, section 2 changes the title of title II of the act from "Production and Subsistence Loans" to "Operating Loans."

Second, it amends section 21 (a) so as to limit operating loans for the purchase of livestock, seed, feed, fertilizer, farm equipment, supplies, and so forth, to farmers and stockmen who are citizens of the United States and who are:

(a) Operators of full-time family-type farms.

(b) Operators of part-time family-type units who during 1 or more of the last 10 years depended upon farm income for their livelihood, and who are conducting substantial farming operations if the farm unit is of sufficient size to produce income, which together with the income from other sources, will enable them to meet living and operating expenses and the amounts due on their lands.

This change is designed to provide credit to low-income and part-time farms and in that respect to implement the rural-development program now being developed in 50 pilot counties throughout the country.

Third, section 21 (b) of the present act would be amended to provide for a limit of \$15,000 on the total outstanding principal indebtedness including accrued interest, taxes, and so forth, of operating loan borrowers. Initial loans may be made also in an amount not to exceed \$9,000.

H. R. 11544 will, in my opinion, provide more liberalized and badly needed credit for farmers who cannot obtain such credit from private lending institutions for various reasons. Mr. Chairman, merely because many of our farmers cannot obtain credit from private lending institutions does not mean they are not good credit risks.

This is borne out by a March 29 reply I received from Mr. Robert B. McLeaish, Administrator, Farmers Home Administration, to a letter of mine written March 26. The purpose of my letter was to obtain answers to certain questions concerning the extent of FHA activities in Utah, and the repayment record of Utah FHA borrowers. The letter enumerates the questions and provides the answers in concise form, as follows:

1. What percentage of Utah farmers are getting their credit from the Farmers Home Administration?

We have been unable to secure statistics which would accurately represent the percentage of Utah farmers who are getting their real estate and farm operating loan credit from the Farmers Home Administration. In the past, when this question has arisen, we used as a basis the percentage of outstanding farm indebtedness owed to the Farmers Home Administration as compared to all principal lenders. We believe this would be a fair method of appraising the participation of Utah farmers in the loan programs of the Farmers Home Administration.

(a) Real estate loans: As of January 1, 1955, the Farmers Home Administration held 7.2 percent of the entire farm mortgage debt outstanding. This percentage includes, as a part of the Farmers Home Administration-held indebtedness, the insured farm ownership loans under title I of the Bankhead-

Jones Farm Tenant Act, even though funds for these loans are actually advanced by private lenders. The percentage of farm mortgage debt held by the Farmers Home Administration, calculated on the basis of insured loans being held by other lenders, was 6.7 percent on January 1, 1955.

(b) Farm operating and subsistence loans: On July 1, 1955, the Farmers Home Administration held 11.9 percent of the total operating loan indebtedness of Utah farmers. This percentage is based on the total indebtedness of principal lenders in the operating loan field, not including loans held by individuals, dealers, merchants, finance corporations, marketing agencies, similar lenders.

2. What has been the rate of repayment by Utah FHA borrowers?

As of March 31, 1955, borrowers owing farm ownership loan balances under title I of the act had paid 95 percent of the cumulative amount that had fallen due on their loans. As of June 30, 1955, borrowers who had received production and subsistence loans from the inception of the program had paid an average of 94 percent of the principal amount that had fallen due on their loans. The percentages for both of these programs are averages as of the particular dates for all borrowers, taking into account prepayments by some borrowers as well as delinquencies of others.

3. What percentage of delinquency has existed in the last few years?

The following table shows the percentage of delinquency of the borrowers owing balances at the dates indicated for the two loan programs:

	Percentage of dollar delinquency	
	United States	Utah
Farm ownership loans:	total	
Mar. 31, 1952.....	5	10
Mar. 31, 1953.....	5	11
Mar. 31, 1954.....	5	12
Mar. 31, 1955.....	5	11
Production and subsistence loans:		
June 30, 1952.....	26	20
June 30, 1953.....	25	23
June 30, 1954.....	26	22
June 30, 1955.....	27	23

Mr. Chairman, the Subcommittee on Credit of the Agriculture Committee held extensive hearings on this bill. Its members labored long and hard to put together a workable bill comprising suggestions from many sources. Likewise, the full committee gave considerable attention to the bill. I urge its speedy passage by the House.

The CHAIRMAN. The time of the gentleman from Utah has expired.

Mr. COOLEY. Mr. Chairman, I yield myself 1 minute just to say that I want to congratulate the subcommittee on the bill that has been prepared and presented here today and to say that in my opinion the bill will be very beneficial to our small farmers. The bill was unanimously reported by the House Committee on Agriculture, it has the support of the Department of Agriculture, and I hope it will pass without opposition.

Mr. POAGE. Mr. Chairman, I yield such time as he may desire to the gentleman from Wisconsin [Mr. JOHNSON].

Mr. JOHNSON of Wisconsin. Mr. Chairman, I attended the hearings held on this legislation before the House Agriculture Committee. I feel that this legislation is very beneficial to the small family-type farmers of our country and also to the young veterans who are just beginning their farming operations.

This bill, in part, should help in the credit situation. When the Wisconsin bankers made their annual trip to Washington, one of the members told me and other Congressmen that unless something was done to relieve the credit situation, the banks in his county would have to start foreclosure proceedings. These young farmers are doing a fine job, but unless the Government can take over the loans of some of these deserving young men, the banks will have to close them out. I am hoping that some of these fine young men will be able to refinance their farms through the Federal Government and thus continue farming.

I want to compliment our distinguished chairman, Congressman HAROLD COOLEY, and our vice chairman, Congressman BOB POAGE, for the wonderful job they have done in acting so promptly in this emergency.

Mr. HOPE. Mr. Chairman, I yield the remainder of the time on this side to the gentleman from Oregon [Mr. COON].

Mr. COON. Mr. Chairman, I, too, am vitally interested in this legislation and I think this will be of great help to the small farmers. I want to compliment the subcommittee that handled this legislation for doing a very good job.

I would like at this time to ask a member of the subcommittee, the gentleman from Maine [Mr. MCINTIRE] a question. We had a very serious freeze out in the Milton-Freewater area last year in which nearly all of the orchards of that area were destroyed. From 90 to 100 percent of the trees were killed and those farmers are in a bad way in that frozen area. What they need is credit and that they be allowed to defer repayments on their loans until the orchards get back into production. Now, will this legislation do that for the farmers in that Milton-Freewater area?

Mr. MCINTIRE. In reply to the gentleman's question, may I say I believe it will. I also want to say that the subcommittee had before it the bill which the gentleman from Oregon introduced relative to this problem. We placed in the report accompanying this bill, on page 2, a provision entitled "Loans to Orchardists." If I may I should like to quote the following from that report as follows:

Consequently, if the purpose of the loan is to reestablish an orchard destroyed by the disaster and repayment is to be expected solely from the production of the orchard, the first repayment installment should be deferred until income is expected from the reestablished orchard.

I believe it is the committee's intent, and this should be placed on record as far as the committee is concerned, that these loans should be made with a repayment schedule adjusted to repayment ability of the reestablished orchard.

I think that covers the point which the gentleman had in mind in the bill which he presented.

Mr. POAGE. Mr. Chairman, will the gentleman yield?

Mr. COON. I yield to the gentleman from Texas.

Mr. POAGE. It is my recollection that when the representatives of the Department appeared before the sub-

committee we asked them if they did not have this authority and they readily agreed that they did have the authority, and we felt then that there was no use writing new authority in there. But, we told them to use the authority that they admitted they had.

Mr. COON. This then will establish the policy that they can use that authority and defer repayment until the orchards are put back into production.

Mr. COOLEY. Mr. Chairman, we have no further requests for time.

The CHAIRMAN. The Clerk will read the bill for amendment.

The Clerk read as follows:

Be it enacted, etc., That the Bankhead-Jones Farm Tenant Act, as amended, is further amended as follows:

(a) The following sections of title I of the Bankhead-Jones Farm Tenant Act, as amended, are further amended as follows:

Section 1 (a) is amended by striking from the second sentence thereof the words "to assist borrowers under this title in making the" and inserting in lieu thereof the words "or insured for" and by striking the word "their" preceding the words "farming operations."

(b) Section 1 (b) is amended by inserting after the word "only" in the first sentence the words "farm owners," by striking the words "(including owners of inadequate or underimproved farm units)," and by inserting in lieu of the words "the major portion" the words "a substantial portion."

(c) Section 1 (c) is amended to read as follows: "No loan shall be made, or mortgage insured, unless the farm is a family-type unit of such size as the Secretary determines to be sufficient to enable the family to carry on successful farming of a type which the Secretary deems can be carried on successfully in the locality in which the farm is situated: *Provided, however, That—*

"(1) loans may be made to veterans or mortgages insured for veterans, as defined in section 1 (b) (2) hereof, who have pensionable disabilities, with respect to farm units of sufficient size to meet the farming capabilities of such veterans and afford them income which, together with their pensions, will enable them to meet living and operating expenses and the amounts to become due on their loans; and

"(2) loans may be made or mortgages insured to owner-operators who are bona fide farmers who have during one or more of the last 10 years depended on farm income for their livelihood, and who are conducting substantial farming operations on units which are less than family-type units, to repair or improve such farm units, and to refinance indebtedness of the owner incurred for agricultural purposes, if such farms are of sufficient size to produce income which, together with income from other sources, will enable them to meet living and operating expenses and the amounts to become due on their loan."

(d) The second sentence of section 2 (b) is amended by striking the period at the end thereof and inserting a comma and the following: "except that, for loans under either part of the proviso in section 1 (c) of this title, the certification shall be based on the normal market value of the farm."

(e) Section 12 (b) is amended by striking the figures "\$100,000,000" and inserting in lieu thereof the figures "\$125,000,000."

(f) Section 12 (c) is amended by striking item (5) thereof and inserting in lieu thereof a new item (5) reading as follows:

"(5) The principal obligation (plus the amount of the prior lien, if any, and fees and charges chargeable under subsection (d) of this section) shall not exceed 90 percent of the value of the farm as certified

by the county committee pursuant to section 2 (b);"

(g) Section 12 (e) is amended by striking from the last sentence of item (2) the words "to carry out the provisions of this title, relating to mortgage insurance" and by inserting in lieu thereof the words "of the Farmers Home Administration and may be transferred annually to that administrative expense account and become merged therewith".

(h) The following new section 17 is added:

"Sec. 17. Until June 30, 1959, the purposes for which loans may be made or insured under this title shall include the advance of funds for refinancing secured or unsecured indebtedness of eligible farmers on farms of not more than family size who are presently unable to meet the terms and conditions of their outstanding indebtedness and are unable to refinance such debts with commercial banks, cooperative lending agencies, or other responsible credit sources at rates and terms which they could reasonably be expected to fulfill. No such loans shall be made to an applicant whose total indebtedness is in excess of the amount certified by the county committee to be the value of the real estate, less any prior lien indebtedness not to be refinanced, and the reasonable value of the applicant's livestock and farm equipment, unless the aggregate of the outstanding indebtedness shall be adjusted so as to be within such values. The total amount of loans insured in any one fiscal year under this section shall not exceed \$50,000,000."

Sec. 2. Title II of the Bankhead-Jones Farm Tenant Act, as amended, is further amended by striking the words "Production and Subsistence Loans" in the title and inserting in lieu thereof the words "Operating Loans", and by the amendment of section 21 to read as follows:

"Sec. 21. (a) The Secretary may make loans to farmers and stockmen who are operators of family-type farms and who are citizens of the United States for the purchase of livestock, seed, feed, fertilizer, farm equipment, supplies, and other farm needs, the cost of reorganizing the farming enterprise or changing farming practices to accomplish more diversified or more profitable farming operations, the refinancing of existing indebtedness, and for family subsistence: *Provided, however, That* loans may be made to operators who are bona fide farmers who have during one or more of the last 10 years depended upon farm income for their livelihood and who are conducting substantial farming operations on units who are less than family-type units, if the units are of sufficient size to produce income which, together with income from other sources, including pensions in the case of disabled veterans, will enable them to meet living and operating expenses and the amounts due on their loans.

"(b) No loan shall be made under this section for the purchase or leasing of land or for the carrying on of any land-purchase or land-leasing program. No initial loan to any one borrower under this section shall exceed \$8,000 and no further loan may be made under this section to a borrower so long as the total amount outstanding under this section, including accrued interest, taxes, and other obligations properly chargeable to the account of the borrower, exceeds \$15,000.

"(c) The terms of loans under this section, including any renewal or extension of any such loan except as provided in subsection (d) hereof, shall not exceed 7 years from the date the original loan was made.

"(d) No person who has failed to liquidate his indebtedness under this section for 7 consecutive years shall be eligible for loans hereunder: *Provided, however, That* in justifiable cases, in areas designated under Public Law 875, 81st Congress, as amended (42 U. S. C. 1855), for agricultural assistance or where the Secretary has made loans under

Public Law 38, 81st Congress, as amended (12 U. S. C. 1148a), or under Public Law 727, 83d Congress, as amended (12 U. S. C. 1141a-1), where the Secretary finds that the inability of a borrower to repay his indebtedness under this section within 7 years is due to natural causes beyond the control of the borrower, the Secretary may extend or renew such loans to be repayable in not to exceed a number of additional years equal to the number of years the area has been designated for such emergency assistance or loans. The Secretary may make additional loans to such persons, if necessary, during the same number of additional years."

SEC. 3. Except insofar as they affect title III of the Bankhead-Jones Farm Tenant Act, as amended, the following sections of title IV of the Bankhead-Jones Farm Tenant Act, as amended, are further amended as follows:

(a) Section 41 (g) is amended to read as follows:

"(g) Compromise, adjust, or reduce claims and adjust and modify the terms of mortgages, leases, contracts, and agreements entered into or administered by the Farmers Home Administration under any of its programs, as circumstances may require: *Provided, however, That—*

"(1) compromise, adjustment, or reduction of claims of \$15,000 or more must be effected by reference to the Secretary of the Treasury or to the Attorney General pursuant to the provisions of section 3469 of the Revised Statutes (31 U. S. C. 194);

"(2) compromise, adjustment, or reduction of claims shall be based on a reasonable determination by the Secretary of the debtor's ability to pay and the value of the security and with or without the payment of any consideration at the time of such adjustment or reduction;

"(3) releases from personal liability may also be made with or without the payment of any consideration at the time of adjustment of claims against—

"(A) borrowers who have transferred the security property to other approved applicants under agreements assuming the outstanding secured indebtedness; and

"(B) borrowers who have transferred their farms to other approved applicants under agreements assuming that portion of their outstanding indebtedness against the farm which is equal to the value of the farm at the time of the transfer, and borrowers whose farms have been acquired by the Secretary, in cases where the county committees certify and the Secretary determines that the borrowers have cooperated in good faith with the Secretary, have farmed in a workmanlike manner, used due diligence to maintain the security against loss, and otherwise fulfilled the covenants incident to their loans, to the best of their abilities;

"(4) no compromise, adjustment, or reduction of claims shall be made upon terms more favorable than recommended by the appropriate county committee established pursuant to section 42 of this act; and

"(5) any claim which has been due and payable for 5 years or more, and where the debtor has no assets from which the claim could be collected and has no apparent future debt-payment ability, or is deceased and has left no estate, or has been absent from his last known address for a period of at least 5 years, has no known assets, and his whereabouts cannot be ascertained without undue expense, may be charged off or released by the Secretary upon a report and favorable recommendation of the employee of the Administration having charge of the claim: *Provided, however, That* claims involving a principal balance of \$150 or less may be charged off or released whenever it appears to the Secretary that further collection efforts would be ineffectual or likely to prove uneconomical."

(b) The first sentence of section 42 (a) is amended by inserting, after the word

"county" where it first appears, the words "or area within a county", and after the word "county" where it later appears in said sentence, the words "or area."

(c) Section 43 (d) is amended by striking the words "as family-size farms."

(d) Section 51 is amended to read as follows:

"SEC. 51. The Secretary is authorized and empowered to make advances to preserve and protect the security for, or the lien or priority of the lien securing, any loan or other indebtedness owing to, insured by or acquired by the Secretary under any programs administered by the Farmers Home Administration; to bid for and purchase at any foreclosure or other sale or otherwise acquire property pledged, mortgaged, conveyed, attached, or levied upon to secure the payment of any such indebtedness; to accept title to any property so purchased or acquired; to operate for a period not in excess of 1 year from the date of acquisition, or lease such property for such period as may be deemed necessary to protect the investment therein; to sell or grant rights-of-way or easements over such property; and to sell or otherwise dispose of such property in a manner consistent with the provisions of section 43 of this act. Any advances or expenditures under this section with respect to any insured loan or insured mortgage shall be paid out of the mortgage insurance fund."

SEC. 4. Section 1 of the act of August 31, 1954, as amended (68 Stat. 999; 69 Stat. 223), is further amended by striking the figures "1957" and inserting in lieu thereof the figures "1959" and by striking the figures "\$15,000,000" and inserting in lieu thereof "\$65,000,000."

With the following committee amendments:

Page 3, line 22, strike out "the prior lien, if any, and" and insert "any."

Page 5, line 21, strike out "who" and insert "which."

Page 6, line 6, strike out "\$8,000" and insert "\$9,000."

The committee amendments were agreed to.

Mr. H. CARL ANDERSEN. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, on January 23, 1956, I introduced two bills, H. R. 8653 and H. R. 8654, to liberalize and extend farm credit operations of the Farmers Home Administration under the Bankhead-Jones Farm Tenant Act.

In simple terms, these bills proposed two things. H. R. 8653, in recognition of the decline in net farm income in recent years, proposed to extend to a total of 10 years the repayment period on production and subsistence loans which is by present law limited to a total of 7 years.

H. R. 8654, in recognition of the same conditions together with a sharp rise in farm mortgage debt and tightening of credit in rural areas, proposed a new title V to the Bankhead-Jones Farm Tenant Act authorizing direct and insured refinancing loans—including farm mortgages.

In considering the bill before us, I believe that it meets in large measure the intent of my bill, H. R. 8654. I am happy to see this done because there is throughout the Nation a very pressing need for this type of farm credit. I recall that when the House Committee on Agriculture held hearings this spring on my bills there was considerable interest in this proposal and I am most pleased

with the action of the committee in accepting the basic principles of H. R. 8654.

However, I am personally quite disappointed with the failure to act favorably on my proposal to extend the repayment period on production and subsistence loans. Anyone familiar with agriculture knows that as a general rule those borrowers who have found it necessary to turn to the Farmers Home Administration for production and subsistence loans were at the time they did so in a tight or even precarious credit situation. They had to be, to even be eligible for the loan; otherwise, credit would have been available from other sources.

Throughout my almost 18 years in the Congress I have always tried to consider objectively the problems of all farmers, regardless of whether they lived in the North, East, South, or West. I have fought just as vigorously for the beneficial programs farmers in the South wanted and needed as I did for those of immediate benefit to the farmers in my Seventh District of Minnesota. I do not subscribe to sectionalism or favoritism in farm legislation, or any other national legislation for that matter.

Now, however, we have a bill before us which proposes to make available time extensions on production and subsistence loans only to those farmers in the disaster areas. In other words, if a drought-stricken farmer lost his crop, or part of it, one year and his area was included in a designated disaster area, he would be eligible for a 1-year extension. However, if an average farmer in any other part of the country found that due to the general decline in net farm income he was in an equally serious credit situation, he would not be accorded equal consideration under the bill before us.

The bill before us is generally good and has as its purpose the relief of credit stringencies which have mainly developed because of the decline in net farm income. However, the proposed amendment to subsections (c) and (d) of section 21 of the Bankhead-Jones Farm Tenant Act does not go far enough. By limiting its beneficial effects to farmers in the areas adversely affected by natural disasters, it ignores the problems of farmers in other areas who in many instances are equally in need of its benefits due to adverse economic conditions. In the final analysis, the whole purpose of the bill before us is economic in nature and I personally believe it would be a mistake to limit one of its principal benefits to sectional groups. A credit problem is just as important to a farmer regardless of its cause or its inception.

Let me further illustrate the inadequacy, and I may say unfairness, of the bill before us in this particular regard. As has previously been said, this credit extension feature will be of great value to farmers in the flood areas of the East and the drought areas of the West and Southwest. I note from the remarks of the gentleman from Oregon that some special recognition has been given in the committee report to the coastal areas damaged by freezes in the orchards. All of this is fine and it has my full and unqualified support; but it simply does not go far enough in my personal opinion.

In the area surrounding my farm in Minnesota, some of my neighboring farmers have had 10 inches of rain in the last few days. Some of them are no doubt now filing claims under their crop insurance. This year they have been flooded out; last year they were dried out. However, the little areas sometimes involving only a few sections of land have not been included in the disaster areas mentioned in the proviso in this bill and as a result they will not be eligible for the benefits of this extension.

I want to make that point clear for the benefit of the committee. There will be no help under this bill as now written for farmers in those isolated communities whose crops are damaged or destroyed by rail, flood, or drought because they are not in an officially recognized disaster area. As a general rule, the disaster designations cover certain counties. Someone has to make the decision as to which counties shall be included and which shall not. The line has to be drawn somewhere, and after it has been drawn by administrative edict the farmers on one side of that line will be eligible for the extension of their loans while those on the other will not. That in my opinion is sectional and therefore objectionable in national legislation of this nature.

By the very laws mentioned in the proviso in the bill before us we have recognized the special needs of the disaster areas and have made provision to meet them. Let us not make the very serious mistake of limiting the benefits of this otherwise very desirable legislation to those particular geographical areas.

One final point. In considering the liberalization of these so-called production and subsistence loans, please keep in mind that it is still discretionary with the Secretary of Agriculture, and through him with the Farmers' Home Administration, to approve or deny requests or applications for such extensions. We are merely saying by law that they may be extended to 7 years under existing law, or to a total of 10 years if my proposal is adopted. This is especially important to many of our young veterans who started farming since World War II or Korea and have not built up sufficient reserves or equity to see them through present difficulties. By authorizing extensions to a total of 10 years we would not by any manner or means be jeopardizing the best interests of the Federal Government as a lending agency. As a matter of fact, from my discussions with employees, officials, and county committees of the Farmers' Home Administration, we might even improve the possibility of collections on some outstanding loans if the agency had the authority to extend some of these loans a year or so instead of throwing them into the delinquent column.

I had earnestly hoped that the Committee on Agriculture would recognize the need for this amendment and I so advised the committee when I appeared before it this spring to testify in support of my bills.

I feel constrained to offer an amendment to correct this inadequacy but will refrain from doing so in order not to

jeopardize passage of what is otherwise a most desirable bill. It is late in the session and I would not want to endanger passage by creating a controversy here today.

However, I do hope the other body will take cognizance of the problem and correct the deficiency when the bill comes before them. That is why I am calling the matter to the committee's attention here today.

I hope, Mr. Chairman, that the other body considers this particular point when the bill is taken up. The balance of the bill is good and its provisions are necessary. If the other body takes appropriate action, I hope the House Committee on Agriculture will give the amendment the consideration it deserves.

Mr. BOW. Mr. Chairman, I move to strike out the requisite number of words.

Mr. Chairman, I take this time to ask the gentleman from Maine [Mr. McINTIRE] or the gentleman from Texas [Mr. POAGE] several questions which I feel will be asked of me on my return to my district.

Under the bill we are making loans and taking care of the small part-time farmer by financing him to continue his operations. I have had a number of letters from farm operators in my district complaining about the part-time farmer, that he is causing some of the trouble of the regular full-time farmer. If we are financing the part-time farmer here, are we developing additional competition against the full-time farmer who depends entirely upon farming as his occupation for his income?

I am asking this simply for information that we may pass on to those who may have some objection to it.

Mr. POAGE. We cannot develop competition since we are not making any purchase loans under this provision. Therefore, we cannot bring new people into the picture. We limit these loans to farmers who have in the past depended upon agriculture for their livelihood. Consequently we are not financing the man who is simply going out from industry or business and setting himself up as a farmer. We are making loans only to continue the farming operations of those who have heretofore been engaged in farming and have been dependent upon farming for their livelihood. We think that is a reasonable limitation.

Mr. BOW. Do I correctly understand that anyone who in the last 10 years has had 1 year in which he received the greater portion of his income from farming is eligible, so that we are over a period of 10 years picking up someone and financing him to go back into farming?

Mr. POAGE. That is true, provided he meets a large number of other requirements, such as that the loan can be made or the mortgage insured only to owner-operators who are at the time bona fide operators and who are conducting substantial farming operations. By that, of course, we mean those who are doing a substantial amount of marketing.

Mr. BOW. Who makes the determination as to that?

Mr. POAGE. The Department of Agriculture makes it. Of course, that in

effect means the local committee will make it.

Mr. BOW. The local committee will do that?

Mr. POAGE. Yes. We make all those limitations in addition to the fact that the borrower has to have within the past 10 years been dependent upon agriculture for his livelihood.

Mr. BOW. Let us assume we have a man back from Korea who has gone into farming. He, of course, has not been there for 10 years. Is he eligible for this loan if he is in trouble?

Mr. POAGE. Provided that for at least 1 year he has depended on that farm for his livelihood. If he just comes back from Korea today and has a job with the General Tire & Rubber Co. and is drawing \$400 a month in salary, and buys a residence at the edge of town and puts in a dozen tomato plants, he does not qualify.

Mr. BOW. I am talking about the men we have had come back from Korea during the past 3 years who have gone into farming and are caught in this squeeze. Are they eligible for this, even if they have not been there for 10 years?

Mr. POAGE. I thought we were quite liberal in the definition of a man who had been a farmer in that we required him only to show in addition to that fact, the further fact that he is a bona fide operator at the present time and that his operations are substantial; that is, that he depends upon them for some appreciable part of his income. Then we require that he show that sometime during the past 10 years he was dependent for his livelihood on those operations. We did not say that it was sufficient to show that he received even the major part of his livelihood from the farm, but during one of those years he must have been dependent upon farming operations for his income.

Mr. BOW. The great Committee on Agriculture of the House has studied this, and they do not feel that by the adoption of this legislation we are creating any additional burden on the regular full-time farmer?

Mr. POAGE. We do not think so. We were much disturbed and fearful about that possibility, just as the gentleman from Ohio is, but we think we have so limited the new credit that we will not create new competition. We are simply trying to keep those people farming who have tried to make farming their major activity, and we are giving no aid or comfort to those who are trying to push into the farming field on a part-time basis.

Mr. BOW. I thank the gentleman.

Mr. JONAS. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I take this time in order to ask the gentleman from Texas another question. I notice on page 3 of the bill, the section beginning on line 22, reads as follows:

(5) The principal obligation (plus the amount of any fees and charges chargeable under subsection (d) of this section) shall not exceed 90 percent of the value of the farm as certified by the county committee pursuant to section 2 (b).

Does that contemplate that loans up to 90 percent of the value of the farm, as

certified by the county committee, may be granted?

Mr. POAGE. Yes, that is what it means. Direct loans are made for 100 percent. This means if they are insured loans, they cannot exceed 90 percent.

Mr. JONAS. That is not 90 percent of the fair value of the farm, but 90 percent of the value certified by a committee. Does the committee undertake to determine the fair value of the farm?

Mr. POAGE. That committee is limited on what it can certify on the basis of the agricultural value. As you will find in existing law, the committee is limited in making its appraisal to what we call the agricultural value, and that means the reasonable anticipated income that can be made from the farm.

Mr. JONAS. But, it would not involve then a loan of 90 percent of the market value of the farm.

Mr. POAGE. Not necessarily. It might, however. It might exceed or it might be less. We have found in times of inflated values that ordinarily your agricultural value is somewhat less than your market value because people will pay a speculative price for land. Of course, in times of deflation you sometimes will find the reverse taking place. At the present time, I think, it clearly means it would not go as high as your market value.

Mr. JONAS. I thank the gentleman.

The CHAIRMAN. The time of the gentleman has expired.

Are there any further amendments? If not, under the rule, the Committee will rise.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. MACHROWICZ, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H. R. 11544) to improve and simplify the credit facilities available to farmers, to amend the Bankhead-Jones Tenant Act, and for other purposes, pursuant to House Resolution 542, he reported the bill back to the House with sundry amendments adopted by the Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered. Is a separate vote demanded on any amendment? If not, the Chair will put them en gros.

The SPEAKER. The question is on the amendments.

The amendments were agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The question is on the passage of the bill.

The bill was passed.

A motion to reconsider was laid on the table.

PROGRAM TO ALLEVIATE CONDITIONS OF EXCESSIVE UNEMPLOYMENT IN ECONOMICALLY DEPRESSED AREAS

Mr. FLOOD. Mr. Speaker, I ask unanimous consent to address the House

for 1 minute, to revise and extend my remarks and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. FLOOD. Mr. Speaker, I have introduced a bill to establish an effective program to alleviate conditions of excessive unemployment in certain economically depressed areas.

My original bill, H. R. 7857, on this same subject was referred to the Committee on Ways and Means of the House because of a tax-raising provision which is not in this new bill, and extensive hearings were conducted and concluded by the Senate Labor and Education Committee, both in Washington and in some of the areas including my district. The hearings were taken place in Wilkes-Barre, where the problem sought to be relieved by the bill exists. The need for this type of legislation, was conclusively established by the hearings. Many constructive suggestions for the improvement of the bill were also received. As a result of the hearings, therefore, the desirability of certain changes in the original bill became apparent, and this amendment in the nature of a substitute was drafted to meet those needs and suggestions.

Under this bill which was originally called the depressed areas bill, it now will be entitled "The Area Redevelopment Act." It will establish programs not only to help relieve chronic unemployment in areas of excessive underemployment. The purpose of the bill, of course, is to help all these areas help themselves.

The bill provides for closer cooperation by Government agencies and private industry in the effort to work out a real solution to this problem.

As it became apparent that the problem is not one of mere unemployment, but also underemployment, we have brought these two factors together in the amended bill by authorizing the Administrator to denominate and assist industrial redevelopment areas and rural redevelopment areas as well. Definitions of these areas are now more clearly spelled out and expanded.

Uses of the loans to be made upon recommendation of the local committees have been enlarged to include those things—land, buildings, and machinery—found to be necessary for the communities to do the job of relieving unemployment and underemployment.

Local financial participation is required.

Assistance to public facilities has been retained in the amended bill both by loans and grants. The loan funds have been set up on a revolving basis.

Additional safeguards have been included in the revised bill to prevent migration of industry or transfer of work by a borrower from one area to another which would have the effect of merely shifting unemployment from one section of the country to another.

Retraining subsistence payments have been authorized in place of extended unemployment compensation.

The problems of areas of chronic unemployment and underemployment are still very much present. Current labor statistics show little, if any, real change in employment in these areas from that existing 1 year ago. Efforts of these areas, unsuccessful in large part, to solve their own problems were graphically exhibited to the Senate Labor Subcommittee, and representatives from the areas vividly described the need for legislation of this type to bring a real solution to their problems. The recent layoffs in the auto and farm machinery manufacturing industries will substantially aggravate the problems, as many of the individuals affected had originally migrated into these more prosperous industrial areas and now must return to their homes in economically plagued areas.

Mr. Speaker, this bill is designed to help these needy areas pull themselves up by a little more than their own bootstraps. It is my hope, Mr. Speaker, despite the lateness of the session, that Congress will recognize the need and will find that this revised bill is a constructive way to help these areas and will take favorable action on this legislation.

The following is a digest of bill H. R. 11715:

1. PURPOSE

To provide assistance to communities, industries, enterprises, and individuals in areas needing redevelopment to enable them to expand and adjust their productive activity to alleviate excessive unemployment and underemployment within such areas by providing new employment opportunities and developing and expanding existing facilities and resources without reducing employment in other areas of the United States.

2. ORGANIZATION

1. Creates Area Redevelopment Administration with Administrator.

2. Creates Advisory Committees—meet twice a year—to assist Administrator.

(a) Government Advisory Committee consisting of heads of major Federal bureaus.

(b) National Public Advisory Committee consisting of heads of business, labor and agriculture.

3. DEPRESSED AREAS DEFINED

(a) Industrial redevelopment areas are defined as "those within the United States in which Administrator determines that there has existed excessive unemployment for an extended period of time."

Areas shall be so designated where unemployment is:

1. Not less than 12 percent for 12-month period.

2. Not less than 8 percent for 15 months of 18 month period.

3. Not less than 6 percent for 8 months in each of 2 years.

(b) Rural redevelopment areas are defined as "those rural areas within United States (not exceeding at any one time 15 counties in any State or 300 counties in United States) in which he determines that there exist the largest number and percentage of low income farm families, and a condition of substantial and prolonged underemployment."

4. LOCAL COMMITTEES

Once a redevelopment area is determined, local redevelopment committee is appointed by Administrator consisting of at least 7 residents of area. Local committee to represent: management, labor, commercial, industrial development, and agricultural groups. Submit plans for alleviating unemployment and underemployment.

Administrator may appoint Regional Committee on same basis as above within areas to represent two or more redevelopment areas.

Funds for local committees: Not more than \$1,500,000 available to Administrator, to aid regional and local committees for administrative expenses only salaries, and traveling expenses excluded.

5. LOANS

(a) May make loans to assist in financing (1) purchase or development of land for industrial usage; (2) construction, rehabilitation, or alteration of industrial plants or other manufacturing, commercial, or processing facilities; (3) purchase of machinery or equipment.

Need established by findings showing:

1. Construction of facility reasonably calculated to alleviate unemployment or underemployment.

2. Funds for construction not otherwise available on reasonable terms.

3. Amount of loan plus private funds available are adequate to insure completion.

4. Borrower will not transfer business operations to such plant so as to effect a reduction in employment in any other area within the United States.

5. Facility constructed will provide more than temporary alleviation of unemployment or underemployment.

(b) No loan shall be in excess of 75 percent of aggregate cost nor longer than 40 years.

(c) Administrator shall require not less than 10 percent or more than 25 percent of aggregate cost to be supplied by (1) States and subdivisions thereof; or (2) local interests. Federal lien has first status. Financial condition of area to determine amount of local contribution to cost.

(d) Loan shall be conditioned upon contract provision effective during life loan prohibiting borrower from transferring or relocating business operations to redevelopment area so as to cause unemployment elsewhere.

(e) "Borrower" includes successors in interest, lessees, subcontractors, or persons or firms under common control.

(f) One hundred million dollars authorized for making industrial redevelopment loans. Revolving fund created. Fifty million dollars appropriated for rural redevelopment loans (with limitation of \$2,500,000 any one State). Revolving fund created.

6. ASSISTANCE TO PUBLIC FACILITIES

1. Loans for public facilities:

(a) Upon application of any State or political subdivision thereof, Indian tribe, private or public organization, Administrator is authorized to make loans to assist in financing purchase or development of land for public-facility usage, construction, rehabilitation, alteration, expansion, or improvement of public facilities in redevelopment areas.

Need established by findings of:

(1) Project provides more than temporary alleviation of unemployment and will tend to improve opportunities in areas for successful establishment or expansion of industrial or commercial plants or facilities.

(2) Funds requested are not otherwise available on reasonable terms.

(3) Amount of loan plus amount of funds from State or local or private sources are adequate to insure completion.

(b) No loan shall be in excess of 75 percent of aggregate costs, or for longer than 40 years.

(c) Administrator shall require not less than 10 percent or more than 25 percent of aggregate cost to be supplied by (1) State or political subdivision, or (2) a loan. Financial condition of areas to determine amount of local contribution to cost. Federal lien has first position.

(d) One hundred million dollars appropriated for public facility loans. Revolving fund created.

2. Grants for public facilities:

(a) Administrator shall conduct continuing studies of needs and probable costs in redevelopment areas for needed land acquisition for public facility usage and for construction, alterations, expansion, or improvement of useful public facilities. Receive proposals from States, Indian tribes, etc., showing costs and contributions to be made to proposal and Administrator may make grants where he finds:

(1) Proposal will provide more than temporary alleviation of unemployment or underemployment and proposal will tend to improve opportunities of area for establishment or expansion of industrial plants and facilities.

(2) Local groups contribute to cost of project proportionate to ability to contribute.

(3) Project will fill a pressing need of area and little probability project could otherwise be undertaken. Grant, with other funds available, will not exceed amount needed to insure completion.

(b) Administrator provides supervision to prevent waste of Federal funds.

(c) Appropriations authorized not to exceed \$50 million annually for making grants.

7. FUNDS FOR INDUSTRIAL PLANTS AND PUBLIC FACILITIES

Administrator with approval of President issues notes and obligations not exceeding \$250 million. Secretary of the Treasury may purchase and sell such notes.

8. ESTABLISHMENT OF REVOLVING FUNDS

Creates revolving funds for industrial and rural redevelopment loans and public facility loans. (See separate loan sections for amounts.)

9. PROCUREMENT BY GOVERNMENTAL AGENCIES

(a) Each Department of the Federal Government engaged in procurement of supplies shall—

1. Use best efforts to award negotiated procurements to contractors in redevelopment areas.

2. Where deemed appropriate set aside portions of procurements for negotiation with firms in redevelopment areas.

3. Provide bid matching procurements means.

4. Assure that firms in redevelopment areas are bidders on list and get notices.

5. In event of tie bids, all other things being equal, award contract to firm in redevelopment area.

6. Encourage prime contractors to award subcontracts to firms in redevelopment areas.

7. Cooperate with other departments and agencies of Federal Government to achieve objectives set forth.

(b) Administrator shall furnish all departments and agencies of Federal Government with list of areas designated as redevelopment areas and with list of services and supplies available in each of such areas.

10. INFORMATION

Administrator shall aid redevelopment areas by furnishing assistance, technical information, market research, advice, etc., obtainable from Federal Government agencies. Administrator shall also supply Federal procurement agencies with names and addresses of redevelopment area firms desirous of obtaining contracts from United States Government.

11. TECHNICAL ASSISTANCE

Administration authorized to provide technical assistance to redevelopment areas. Includes studies of need, potentials, etc., and may be provided by use of staff of Administrator or by contract with individuals or institutions locally.

12. POWERS OF ADMINISTRATION

1. Hold hearings, take testimony.
2. Request from Federal agencies, information, suggestions, statistics.

3. Sell, assign, rent, improve, etc., any properties or security for collecting loans and otherwise pursue to final collection all loans made under act.

13. VOCATIONAL TRAINING

(a) Secretary of Labor shall:

1. Provide suitable training for unemployed persons in such areas in need of training, retraining, or reemployment or vocational education.

2. Cooperate with existing retraining facilities of Federal and State Governments by contract on reimbursable basis or make contracts with private institutions.

14. RETRAINING SUBSISTENCE PAYMENTS

(a) Secretary of Labor shall:

1. Enter into agreements with States whereby the States as agent of the Federal Government make weekly retraining payments to unemployed individuals not entitled to unemployment compensation (exhaustions or not insured) certified by Secretary of Labor.

2. Make retraining payments to such individuals for not more than 13 weeks in amounts equal to average unemployment compensation payments payable in State making payments.

15. ANNUAL REPORT

Administrator shall make a comprehensive and detailed annual report to Congress.

16. APPROPRIATIONS

Authorized to be appropriated such sums as may be necessary to carry out provisions of the act.

Strike out all after the enacting clause and insert in lieu thereof the following:

"That this act may be cited as the 'Area Redevelopment Act.'"

"FINDINGS OF FACT"

"SEC. 2. The Congress hereby finds and declares that the maintenance of the national economy at a high level of prosperity and employment is vital to the best interests of the United States and that the present existence of excessive unemployment or underdevelopment in certain areas of the Nation is jeopardizing the health, standard of living, and general welfare of the Nation. It is therefore the purpose of this act to provide assistance to communities, industries, enterprises, and individuals in areas needing redevelopment to enable them to expand and adjust their productive activity to alleviate excessive unemployment or underemployment within such areas by providing new employment opportunities and developing and expanding existing facilities and resources without reducing employment in other areas of the United States.

"AREA REDEVELOPMENT ADMINISTRATION"

"SEC. 3. In order to carry out the purposes of this act, there is hereby established, within the executive branch of the Government, an Area Redevelopment Administration. Such Administration shall be under the direction and control of an Administrator (hereinafter referred to as 'the Administrator') who shall be appointed by the President, by and with the advice and consent of the Senate, and who shall be compensated at the rate of \$ _____ per annum.

"ADVISORY COMMITTEES"

"SEC. 4. (a) There is hereby established a Government Advisory Committee on Area Redevelopment which shall be composed of the following members: The Administrator, as Chairman, the Secretary of the Interior, the Secretary of the Treasury, the Secretary of Defense, the Secretary of Agriculture, the Secretary of Commerce, the Secretary of Labor, the Secretary of Health, Education, and Welfare, the Administrator of the Small Business Administration, the Administrator of General Services, the Administrator of the Housing and Home Finance Agency, and the Director of the Office of Defense Mobilization.

Such committee, or any duly established subcommittee thereof, shall from time to time make recommendations to the Administrator relative to the carrying out of his duties under this act, and the Administrator shall, in carrying out such duties, consult with such committee, or any duly established subcommittee thereof. Such committee shall hold meetings at the call of the chairman, and such meetings shall be held at least twice during each calendar year.

"(b) The Administrator shall appoint a National Public Advisory Committee on Area Redevelopment which shall consist of 12 members and which shall be composed of representatives of labor, management, agriculture, and the public in general. From the members appointed to such committee the Administrator shall designate a chairman. Such committee, or any duly established subcommittee thereof, shall from time to time make recommendations to the Administrator relative to the carrying out of his duties under this act. Such committee shall hold not less than two meetings during each calendar year.

"(c) The Administrator is authorized from time to time to call together and confer with representatives of the various parties in interest from any industry in which employment has dropped substantially over an extended period of years and which in consequence has been a primary source of high levels of unemployment in several areas designated by the Administrator as redevelopment areas. Conferences convened under authority of this subsection shall consider with and recommend to the Administrator plans and programs with special reference to any such industry to carry out the purposes of this act.

"REDEVELOPMENT AREAS

"SEC. 5. (a) The Administrator shall designate as 'industrial redevelopment areas' those industrial areas within the United States in which he determines that there has existed excessive unemployment for an extended period of time. Any such industrial area in which there has existed unemployment of not less than (1) 12 percent of the labor force for the 12-month period immediately preceding the date on which an application or recommendation for assistance is made under this act, (2) 8 percent of the labor force during at least 15 months of the 18-month period immediately preceding such date, or (3) 6 percent of the labor force during at least 8 months in each of the 2 years immediately preceding such date, shall be designated an 'industrial redevelopment area.'

"(b) In addition to those areas designated under subsection (a), the Administrator shall designate as 'rural redevelopment areas' those rural areas within the United States (not exceeding at any 1 time 15 counties in any 1 State or 300 counties in the United States) in which he determines that there exist the largest number and percentage of low-income farm families, and a condition of substantial and prolonged underemployment. In making the designations under this subsection, the Administrator shall consider among other relevant factors the number of low-income farm families in the various rural areas of the United States, the proportion that such low-income families are to the total farm families of each of such areas, the relationship of the income levels of the farm families in each such area to the general levels of income in the same area, the current and prospective employment opportunities in each such area, and the availability of farm manpower in each such area for supplemental employment.

"(c) In making the determinations provided for in this section, the Administrator shall be guided, but not conclusively

governed, by pertinent studies made, and information and data collected or compiled, by (1) departments, agencies, and instrumentalities of the Federal Government, (2) State and local governments, (3) universities and land-grant colleges, and (4) private organizations.

"(d) Upon the request of the Administrator, the Secretary of Labor, the Secretary of Agriculture, and the Director of the Bureau of the Census are respectively authorized to conduct such special studies, obtain such information, and compile and furnish to the Administrator such data as the Administrator may deem necessary or proper to enable him to make the determinations provided for in this section.

"LOCAL AND REGIONAL COMMITTEES

"SEC. 6. (a) The Administrator, upon determining that any area is a redevelopment area, shall appoint a local redevelopment committee (hereinafter referred to as a 'local committee'), to be composed of not less than seven residents of such area who, as nearly as possible, are representative of labor, management, commercial, industrial development, and agricultural groups, and of the residents generally of such area. Each local committee shall prepare plans and cost estimates, to the extent deemed desirable by it, for (1) the development of the resources of, and processing and marketing facilities in, the area which such committee represents, (2) the construction, rehabilitation, and alteration of industrial plants or other industrial and commercial facilities in such area, and (3) the purchase of machinery or equipment for use in such area, with a view to attracting new industries thereto and otherwise to stimulate economic activity therein. Each local committee shall enlist the support of local residents and private and public lending agencies in financing the carrying out of such plans. The Administrator shall, at the request of any local committee, make available to such committee such professional, technical, and other experts as may be necessary to enable such local committee properly to discharge its functions under this act.

"(b) The Administrator may establish regional committees to represent two or more redevelopment areas when he finds that the establishment of such committees will facilitate the carrying out of the purposes of this act. The members of the regional committees shall be appointed by the Administrator on the same basis as are members of local committees, and such regional committees shall cooperate with, and, to the extent possible, coordinate the activities of, the local committees within the regions represented by such regional committees.

"(c) Of the sums appropriated to carry out the purposes of this act, not to exceed \$1,500,000 shall be available to the Administrator for the purpose of assisting the local or regional committees established under this section to defray their administrative expenses, but no part thereof shall be available for the purpose of paying salaries or traveling expenses of the members of such committees.

"LOANS

"SEC. 7. (a) Upon the recommendation of any local committee, the Administrator is authorized to make loans to assist in financing the purchase or development of land for industrial usage within the redevelopment area represented by such committee, and the construction, rehabilitation, or alteration of industrial plants, or other manufacturing, commercial, or processing facilities, and the purchase of machinery or equipment for use, in such area, if he finds that—

"(1) the project for which financial assistance is sought is reasonably calculated to alleviate unemployment or underemployment within the redevelopment area wherein it is, or will be, located;

"(2) the funds requested for such project are not otherwise available on reasonable terms;

"(3) the amount of the loan plus the amount of private funds available for such project are adequate to insure the completion thereof;

"(4) the borrower will not cause a transfer to, or relocation in, any plant or facility, the construction, rehabilitation, or alteration of which is assisted under this section, of business operations otherwise conducted by such borrower so as to effect a reduction in employment in any other area within the United States; and

"(5) the construction, rehabilitation, or alteration, of any such plant or facility will provide more than a temporary alleviation of unemployment or underemployment.

"(b) No loan under this section shall be for an amount in excess of 75 percent of the aggregate cost of the project for which such loan is made. The maturity date of any such loan shall be not later than 40 years after the date such loan was made.

"(c) In making any loan under this section, the Administrator shall require that not less than 10 percent, or more than 25 percent, of the aggregate cost of the project for which such loan is made shall be supplied (1) by the State (including any agency, instrumentality, or political subdivision thereof) within which such project is to be located, or (2) by one or more community or area organizations, or persons, firms, or corporations within the redevelopment area in which such project is to be located, as equity capital, or as a loan repayable only after the financial assistance provided under this section has been repaid in full, and, if such loan is secured, its security shall be subordinate to the lien or liens securing the financial assistance provided under this section. In determining the amount of participation required under this subsection with respect to any particular project, the Administrator shall give consideration to the financial condition of the State or local government, and to the per capita income of the residence of the redevelopment area, within which such project is to be located.

"(d) In making any loan under this section with respect to the construction, rehabilitation, or alteration of any plant or facility, the Administrator shall include in the loan agreement a provision that during the life of the loan the borrower shall not cause a transfer to, or relocation in, such plant or facility of business operations otherwise conducted by such borrower so as to effect a reduction in employment in any other area within the United States. Such loan agreement shall further authorize the Administrator, in the event of a violation of the foregoing provision, to declare the unpaid balance of any such loan immediately due and payable, and, in default of payment, to proceed forthwith to enforce such loan agreement and the security thereon.

"(e) As used in this section, the term 'borrower' includes any successor in interest to the borrower, or any agent, lessee or operating subcontractor thereof, or any person, firm, or corporation which directly or indirectly controls, is controlled by, or is under common control with, the borrower by reason of voting stock interest, common officers, directors or stockholders, voting trusts, or by any other direct or indirect means.

"LOANS FOR PUBLIC FACILITIES

"SEC. 8. (a) Upon the application of any State, or political subdivision thereof, Indian tribe, or private or public organization or association representing any development area or part thereof, the Administrator is authorized to make loans to assist in financing the purchase or development of land for public facility usage, and the construction, rehabilitation, alteration, expansion, or im-

provement of public facilities within any redevelopment area, if he finds that—

"(1) the project for which financial assistance is sought will provide more than a temporary alleviation of unemployment or underemployment in the redevelopment area wherein such project is, or will be, located, and will tend to improve the opportunities in such area for the successful establishment or expansion of industrial or commercial plants or facilities;

"(2) the funds requested for such project are not otherwise available on reasonable terms; and

"(3) the amount of the loan plus the amount of public funds from State or local sources or private funds or both, available for such project are adequate to insure the completion thereof.

"(b) No loan under this section shall be for an amount in excess of 75 percent of the aggregate cost of the project for which such loan is made. The maturity date of any such loan shall be not later than 40 years after the date such loan is made.

"(c) In making any loan under this section, the Administrator shall require that not less than 10 percent, nor more than 25 percent, of the aggregate cost of the project for which such loan is made shall be supplied (1) by the State (including any political subdivision thereof) within which such project is to be located as equity capital, or as a loan repayable only after the financial assistance provided under this section has been repaid in full, and, if such loan is secured, its security shall be subordinate to the lien or liens securing the financial assistance provided under this section. In determining the amount of participation required under this subsection with respect to any particular project, the Administrator shall give consideration to the financial condition of the State or local government, and to the per capita income of the residents of the redevelopment area, within which such project is to be located.

"GRANTS FOR PUBLIC FACILITIES"

"SEC. 9. (a) The Administrator shall conduct continuing studies of needs in the various redevelopment areas throughout the United States for, and the probable cost of, land acquisition or development for public facility usage, and the construction, rehabilitation, alteration, expansion, or improvement of useful public facilities within such areas, and may receive proposals from any State, or political subdivision thereof, Indian tribe, or private or public organization or association representing any redevelopment area, or part thereof, relating to land acquisition or development for public facility usage, and the construction, rehabilitation, alteration, expansion, or improvement of public facilities within any such area. Any such proposal shall contain plans showing the project proposed to be undertaken, the cost thereof, and the contributions proposed to be made to such cost by the entity making the proposal. The Administrator, in consultation with such entity, is authorized to modify all or any part of such proposal.

"(b) The Administrator, pursuant to a proposal received by him under this section, or on his own initiative, may make grants to any State, or political subdivision thereof, Indian tribe, or private or public organization or association representing any redevelopment area, or part thereof, for land acquisition or development for public facility usage, and the construction, rehabilitation, alteration, expansion, or improvement of public facilities within a redevelopment area, if he finds that—

"(1) the project for which financial assistance is sought will provide more than a temporary alleviation of unemployment or underemployment in the redevelopment area

wherein such project is, or will be, located, and will tend to improve the opportunities in such area for the successful establishment or expansion of industrial or commercial plants or facilities;

"(2) the entity requesting the grant proposes to contribute to the cost of the project for which such grant is requested in proportion to its ability so to contribute; and

"(3) the project for which a grant is requested will fulfill a pressing need of the area, or part thereof, in which it is, or will be, located, and there is little probability that such project can be undertaken without the assistance of a grant under this section. The amount of any grant under this section for any such project shall not exceed the difference between the funds which can be practicably obtained from other sources (including a loan under section 8 of this act) for such project, and the amount which is necessary to insure the completion thereof.

"(c) The Administrator shall by regulations provide for the supervision of the carrying out of projects with respect to which grants are made under this section so as to insure that Federal funds are not wasted or dissipated.

"(d) There are hereby authorized to be appropriated not to exceed \$50 million annually for the purpose of making grants under this section.

"FUNDS FOR LOANS"

"SEC. 10. To obtain funds for loans under this act the Administrator may, with the approval of the President, issue and have outstanding at any one time notes and obligations for purchase by the Secretary of the Treasury in an amount not to exceed \$250 million. Such notes or other obligations shall be in such forms and denominations, have such maturities, and be subject to such terms and conditions as may be prescribed by the Administrator, with the approval of the Secretary of the Treasury. Such notes or other obligations shall bear interest at a rate determined by the Secretary of the Treasury, taking into consideration the current average rate on outstanding marketable obligations of the United States as of the last day of the month preceding the issuance of such notes or other obligations. The Secretary of the Treasury is authorized and directed to purchase any notes and other obligations issued under this section and for such purpose is authorized to use as a public debt transaction the proceeds from the sale of any securities issued under the Second Liberty Bond Act, as amended, and the purposes for which securities may be issued under such Act are extended to include any purchases of such notes and other obligations. The Secretary of the Treasury may at any time sell any of the notes or other obligations acquired by him under this section. All redemptions, purchases, and sales by the Secretary of the Treasury of such notes or other obligations shall be treated in every respect as public debt transactions of the United States.

"ESTABLISHMENT OF REVOLVING FUNDS"

"SEC. 11. Of the funds raised under section 10 of this act, not more than (1) \$100 million shall be deposited in a revolving fund which shall be used for the purpose of making loans for projects within industrial redevelopment areas; (2) \$50 million shall be deposited in a revolving fund which shall be used for the purpose of making loans for projects within rural redevelopment areas, but the principal amount of loans from such fund which are outstanding at any one time within any one State shall not exceed \$2,500,000; and (3) \$100 million shall be deposited in a revolving fund which shall be used for the purpose of making loans for public facilities. Receipts arising from the

repayment of any such loans shall be deposited in the fund from which such loan was made and shall be utilized for the purpose for which such fund was established.

"PROCUREMENT BY GOVERNMENTAL AGENCIES"

"SEC. 12. (a) Each department, agency, or other instrumentality of the Federal Government engaged in the procurement of any supplies or services for use by or on behalf of the United States shall—

"(1) use its best efforts to award negotiated procurement contracts to contractors located within redevelopment areas to the extent procurement objectives will permit;

"(2) where deemed appropriate, set aside portions of procurements for negotiations exclusively with firms located in redevelopment areas, if a substantial proportion of production on such negotiated contracts will be performed within redevelopment areas and if such firms will contract for such portions of the procurement at such prices;

"(3) where deemed appropriate and consistent with procurement objectives, after the expiration of the period during which bids for any procurement are permitted to be submitted and if the lowest of such bids was submitted by a firm in an area other than a redevelopment area, negotiate with firms in redevelopment areas with a view to ascertaining whether any such firm will furnish the services or supplies with respect to which bids were theretofore submitted for an amount equal to, or less than, the amount of the lowest bid theretofore submitted for the furnishing of such services or supplies, and if any such firm can be found, award the contract for the furnishing of such services or supplies to such firm;

"(4) assure that firms in redevelopment areas which are on appropriate bidders' lists will be given the opportunity to submit bids or proposals on all procurements for which they are qualified and on which small business joint-determinations have not been made, but whenever the number of firms on a bidders' list is exclusive, there shall be included a representative number of firms from redevelopment areas;

"(5) in the event of tie bids on offers on any procurement, award the contract to the firm located in a redevelopment area, other things being equal;

"(6) encourage prime contractors to award subcontracts to firms in redevelopment areas; and

"(7) cooperate with other departments, agencies, and instrumentalities of the Federal Government in achieving the objectives set out in this subsection.

"(b) The Administrator shall furnish all departments, agencies, and instrumentalities of the Federal Government with a list of areas which he has designated as redevelopment areas under this act, together with a list of the services and supplies which are most abundantly available in each of such areas.

"INFORMATION"

"SEC. 13. The Administrator shall aid depressed areas by furnishing to interested individuals, communities, industries, and enterprises within such areas any assistance, technical information, market research, or other forms of assistance, information, or advice which are obtainable from the various departments, agencies, and instrumentalities of the Federal Government and which would be useful in alleviating conditions of excessive unemployment or underemployment within such areas. The Administrator shall furnish the procurement divisions of the various departments, agencies, and other instrumentalities of the Federal Government with a list containing the names and addresses of business firms which are located in redevelopment areas and which are desirous of obtaining Government contracts for the

furnishing of supplies or services, and designing the supplies and services such firms are engaged in providing.

"TECHNICAL ASSISTANCE"

"SEC. 14. In carrying out his duties under this act, the Administrator is authorized to provide technical assistance to areas which he has designated as redevelopment areas under this act. Such assistance shall include studies evaluating the needs of, and developing potentialities for, economic growth of such areas. Such assistance may be provided by the Administrator through members of his staff or through the employment of private individuals or institutions under contracts entered into for such purpose.

"POWERS OF ADMINISTRATOR"

"SEC. 15. In performing his duties under this act, the Administrator is authorized to—

"(1) hold such hearings, sit and act at such times and places, and take such testimony, as he may deem advisable;

"(2) request directly from any executive department, bureau, agency, board, commission, office, independent establishment, or instrumentality information, suggestions, estimates, and statistics needed to carry out the purposes of this act; and each department, bureau, agency, board, commission, office, establishment, or instrumentality is authorized to furnish such information, suggestions, estimates, and statistics directly to the Administrator;

"(3) under regulations prescribed by him, assign or sell at public or private sale, or otherwise dispose of for cash or credit, in his discretion and upon such terms and conditions and for such consideration as he shall determine to be reasonable, any evidence of debt, contract, claim, personal property, or security assigned to or held by him in connection with the payment of loans made under this act, and collect or compromise all obligations assigned to him in connection with the payment of such loans until such time as such obligation may be referred to the Attorney General for suit or collection;

"(4) deal with, complete, renovate, improve, modernize, insure, rent, or sell for cash or credit, upon such terms and conditions and for such consideration as he shall determine to be reasonable, any real or personal property conveyed to, or otherwise acquired by, him in connection with the payment of loans made under this act;

"(5) pursue to final collection, by way of compromise or other administrative action, prior to reference to the Attorney General, all claims against third parties assigned to him in connection with loans made under this act, and the power to convey and to execute in the name of the Administrator deeds of conveyance, deeds of release, assignments and satisfactions of mortgages, and any other written instrument relating to real or personal property or any interest therein acquired by the Administrator pursuant to the provisions of this act may be exercised by the Administrator or by any officer or agent appointed by him for that purpose;

"(6) in addition to any powers, functions, privileges, and immunities otherwise vested in him, take any and all actions, including the procurement of the services of attorneys by contract, determined by him to be necessary or desirable in making, servicing, compromising, modifying, liquidating, or otherwise administratively dealing with or realizing on loans made under this act; and

"(7) establish such rules, regulations, and procedures as he may deem appropriate in carrying out the provisions of this act.

"VOCATIONAL TRAINING"

"SEC. 16. (a) The Secretary of Labor shall—

"(1) prescribe and provide suitable training for unemployed individuals residing in

redevelopment areas who are in need of training, retraining, or reemployment or vocational education;

"(2) enter into agreements with other departments, agencies, and instrumentalities of the Federal Government, and with agencies maintained by joint Federal and State contributions whereby the existing facilities of such departments, agencies, and instrumentalities may be utilized, on a reimbursable basis, in carrying out the purposes of this section; and

"(3) by agreement or contract with public or private institutions or establishments, provide for such additional training facilities as may be necessary to accomplish the purposes of this section.

"(b) The Secretary of Labor shall cooperate with existing Federal, State, and local agencies and officials in charge of existing programs relating to training, retraining, and reemployment and vocational education for the purpose of coordinating his activities with those of such agencies and officials.

"RETRAINING SUBSISTENCE PAYMENTS"

"SEC. 17. The Secretary of Labor shall, on behalf of the United States, enter into agreements with States in which redevelopment areas are located under which the Secretary shall make payments to such States for the purpose of enabling such States, as agents of the United States, to make weekly retraining payments to unemployed individuals residing within such redevelopment areas who are not entitled to unemployment compensation (either because their unemployment compensation benefits have been exhausted or because they were not insured for such compensation) and who have been certified by the Secretary of Labor to be undergoing training for a new job. Such payments shall be made for a period not exceeding 13 weeks, and the amounts of such payments shall be equal to the amount of the average weekly unemployment compensation payment payable in the State making such payments.

"ANNUAL REPORT"

"SEC. 18. The Administrator shall make a comprehensive and detailed annual report to the Congress of his operations under this act for each fiscal year beginning with the fiscal year ending June 30, 1957. Such report shall be printed, and shall be transmitted to the Congress not later than January 3 of the year following the fiscal year with respect to which such report is made. Such report shall show, among other things, the number and size of Government contracts for the furnishing of supplies and services placed with business firms located in redevelopment areas, and the amount and duration of employment resulting therefrom.

"APPROPRIATION"

"SEC. 19. There are hereby authorized to be appropriated such sums as may be necessary to carry out the provisions of this act."

INCREASE IN SALARIES OF FEDERAL EMPLOYEES

Mr. LESINSKI. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. LESINSKI. Mr. Speaker, on Thursday, June 14, I introduced a bill (H. R. 11790) to increase the salaries of those Federal employees who are paid in accordance with the Classification Act of 1949, as amended. I believe that there

is ample justification for such a measure at this time.

There are two chief reasons for proposing an increase in these salaries. First, each previous increase was delayed after the real need for it had developed; and, secondly, the pay of employees in all grades has not advanced at the rate or in the proportion to which salaries and wages have gone ahead outside the Government service.

The adverse economic situation in which employees under the Classification Act find themselves may be summarized as follows:

First. The gross average weekly earnings of production workers in manufacturing industries increased from \$23.86 in 1939 to \$78.39 in April 1956. This was an increase of 228.5 percent. This was double the rate of increase for grade GS-1. In the same period, the Consumer Price Index rose 94.7 percent from August 1939 to April 1956. Thus the advance in gross average weekly earnings for factory workers was 69 percent greater than the increase in consumer prices.

If Classification Act salaries on a weekly basis in the first three grades had been raised in the same proportion as the earnings of factory workers, the situation would have been as follows:

Grade	Actual rate		Proportionate to increase in factory earnings
	1939	1956	
GS-1.....	\$24.23	\$51.73	\$79.61
GS-2.....	27.69	56.92	90.98
GS-3.....	31.15	61.06	102.35

It may be objected to that so-called white-collar and blue-collar pay rates are not comparable, but that is a fallacy to which only those who attempt to justify low pay rates will subscribe. Of course, they differ to the extent their jobs differ, but the economic bases for wage-rate determinations are no different than those for fixing salaries.

The one significant difference between the two groups is the lack of unionization in the white-collar group. This is why the earnings of the factory worker have increased at a more rapid rate and more substantially than those of the white-collar group. About 15 million workers are employed in clerical, professional, and technical positions, excluding the managerial category. It is reliably estimated that 2,750,000 are union members, or about 18 percent of the estimated white-collar potential. In contrast is the degree of unionization among production workers—the blue-collar group. Well over 50 percent of the union potential in the blue-collar category have been organized.

Second. This disparity between the increase in earnings of the factory worker and the office worker is further pointed up by these figures of the Bureau of Labor Statistics showing the percentage increase in the median wage or salary income of experienced male em-

ployees in the following occupational groups:

	Percent increase, 1939-54
Major occupation group:	
Professional, technical.....	171.1
Clerical and kindred workers.....	162.8
Sales workers.....	199.4
Craftsmen, foreman, and kindred workers.....	224.4
Service workers, except private household.....	238.3
Laborers, except mine.....	250.4

Third. Another measurement of the trend of clerical and professional earnings is the index of weekly earnings for this group prepared monthly by the Federal Reserve Bank of New York. This index indicates that clerical and professional earnings increased 150.9 percent from August 1939 to February 1956. In 1953 BLS calculated the increase in average salaries of classification act salaries, general schedule, to have been 92.2 percent. Last year's raise would bring this figure up to 106.6 percent. On the basis of the Federal Reserve index, the increase in the earnings of all clerical and professional employees was 21 percent above that for Federal white-collar workers. This shows that Federal employees lagged behind even the relatively poor position which white-collar workers in the entire labor force had attained during and since World War II.

Fourth. The economic disadvantage of employees in the upper grades of the general schedule of the classification act is confirmed both by the Federal Reserve index and a comparison provided by the BLS, both of which have already been analyzed. This disadvantage is further confirmed by the Consumer Price Index. These employees have lagged behind advancing prices ever since classification act pay schedules received their first revision 11 years ago. This disparity has from time to time been emphasized until at present it has reached a point which will make it doubly difficult to hold in the Federal Civil Service persons whom it can ill-afford to lose.

This is indicated in a comparison of existing salaries with those which are needed to preserve the economic position of these employees in 1939. The comparison follows:

Grade	Current salary	Salary needed to maintain 1939 buying power
GS-5.....	\$3,670	\$3,895
GS-7.....	4,525	5,063
GS-9.....	5,440	6,232
GS-11.....	6,390	7,400
GS-13.....	8,990	10,906
GS-15.....	11,610	15,580

The marked disparity between current salaries and the amount of pay needed to maintain their former economic position is apparent. It has come about by the fact that each time salaries were raised the amount fell short of the sum needed to retrieve lost purchasing power. Thus there has been a cumulative loss which has never been restored even to an appreciable extent in the upper grades.

I think one of the most significant aspects of the bill is that it takes into consideration the numerous across-the-board increases that have been passed by Congress. You will note that the bill proposes proportionately smaller increases in the lower brackets. The purpose of this is to bring about proper adjustments in the salary levels so that they will be more in line with the responsibilities of the respective grades.

The following schedule shows the effects of the bill:

Proposed Classification Act salary rates based on a graduated percentage formula¹

Grade	Present entrance salary rate	Amount of increase	New entrance salary rate	Percent of increase
1	\$2,600	\$195.75	\$2,885.75	7.3
2	2,960	243.00	3,203.00	8.2
3	3,175	280.63	3,455.63	8.8
4	3,415	322.63	3,737.63	9.4
5	3,670	367.25	4,037.25	10.0
6	4,080	439.00	4,519.00	10.8
7	4,525	516.88	5,041.88	11.4
8	4,970	594.75	5,564.75	12.0
9	5,440	677.00	6,117.00	12.4
10	5,915	760.13	6,675.13	12.9
11	6,390	843.25	7,233.25	13.2
12	7,570	1,049.75	8,619.75	13.9
13	8,990	1,298.25	10,288.25	14.4
14	10,320	1,590.20	11,910.20	15.4
15	11,610	2,054.60	13,664.60	17.7
16	12,900	2,519.00	15,419.00	19.5
17	13,975	2,906.00	16,881.00	20.8
18	14,800	3,203.00	18,003.00	21.6

¹ 6½ percent of that part of existing salary which is not in excess of \$2,500, plus 17½ percent of that part which is in excess of \$2,500 but not in excess of \$10,000 plus 36 percent of that part which is in excess of \$10,000.

Source: Based on salary rates in Public Law 94, 84th Cong.

On the basis of this evidence, the rates provided in H. R. 11790 are well within reason and quite realistic.

AMENDING CONSTITUTIONAL PROVISION ON TREATYMAKING POWER

Mr. SMITH of Wisconsin. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin.

There was no objection.

Mr. SMITH of Wisconsin. Mr. Speaker, I have introduced House Joint Resolution 648, proposing an amendment to the Constitution to provide that a majority of the Members of the House of Representatives and of the Senate must concur in the making of a treaty by the President.

This is a simple amendment and should have the prompt action of the House before the present session adjourns.

Treaties, Mr. Speaker, should be ratified by a plain majority of both the House and Senate instead of by a two-thirds majority of the Senate alone. Why should there be a different rule of procedure in the matter of treaty ratification than applies to every other piece of Federal legislation? As I see it, the exception that exists today is illogical.

For what good reason should it require a majority of the House plus a mere majority of the Senate to make war? But two-thirds of the Senate alone to make peace? On what ground should

the House be deprived of a voice in the treaty-making process? This body is called upon to implement treaties in the adoption of which it has had no voice. It votes funds needed to put a treaty into operation. It initiates any taxation which this involves. It participates in the passage of any internal legislation required to make a treaty effective.

Mr. Speaker, the requirements of constitutional consistency are certainly no different from the requirements of sound democratic procedures. Are we not the body that most directly represents the people? Are we not much more responsive to public opinion by virtue of the fact that the entire membership must be elected every 2 years? Should we not have an equal say in the vital question of foreign relations, than a body more remote from the popular will, as measured by either a time or a population standard?

I submit, Mr. Speaker, that the present practice of treaty ratification places excessive power in the hands of a minority in the other body.

Many Presidents have deplored the existing constitutional provision. At one time John Hay, when Secretary of State, referred to the present constitutional provision as an "irreparable mistake." He said that under the Constitution as now written this "puts it into the power of one-third plus one of the Senate to meet with a categorical veto any treaty negotiated by the President, even though it may have the approval of nine-tenths of the people of the Nation."

It is important to remember this fact as we consider the overall question of treaty ratification under the Constitution.

In the Constitutional Convention, history records there were many who thought the two-thirds provision wholly objectionable. Wilson, of Pennsylvania, pointed out that it would place it "in the power of a minority to control the will of a majority." And he urged that a simple majority be required and that the House of Representatives also join in the power of approval, because as treaties are to have the operation of laws, they ought to have the sanction of laws also. This was wise counsel.

Why then was the present provision adopted? Chiefly it seems to me because the framers of the Constitution had an idea that the other body would be small and it would act as a consulting body. Some members of the Constitutional Convention contended that only the other body could safely be trusted with the power of approval because of the necessity for preserving secrecy in the consideration of treaties.

I believe, Mr. Speaker, that the arguments which finally prevailed in the Constitutional Convention are not valid today. Ninety-six Members of the other body cannot and do not act as a special council. The ratification of treaties are arrived at openly and under the glare of public debate.

Mr. Speaker, I submit that the House of Representatives should respond to this suggestion and approve House Joint Resolution 648 overwhelmingly. It would

give this body a participating voice in foreign policy of which it has been unjustly, unwisely, and inconsistently deprived. Certainly it should meet with presidential approval because Presidents for years have been concerned about the veto power of treaties possessed by one-third plus one of the other body.

There is another reason and that is that the President in any case always needs the positive help of the House in carrying out his foreign policy. Presently this body is deprived of its rightful place in the ratification of treaties, yet it participates in all phases of internal legislation that supports a treaty or that may be required by a treaty.

Mr. Speaker, I trust that there may be prompt action by the House on my resolution.

Mr. Speaker, I include at this point a copy of my amendment, which follows:

House Joint Resolution 648

Joint resolution proposing an amendment to the Constitution to provide that a majority of the Members of the House of Representatives and of the Senate must concur in the making of any treaty by the President

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled (two-thirds of each House concurring therein), That the following article is proposed as an amendment to the Constitution of the United States, which shall be valid to all intents and purposes as part of the Constitution when ratified by the legislatures of three-fourths of the several States:

"ARTICLE —

"SECTION 1. The President shall have power, by and with the advice and consent of Congress, to make treaties, provided that a majority of the Members of the House of Representatives present, and a majority of the Senators present, concur in such treaty.

"SEC. 2. This article shall be inoperative unless it shall have been ratified as an amendment by the legislatures of three-fourths of the several States within 7 years from the date of its submission to the States by the Congress."

THE VETERAN AND HIS FUTURE

The SPEAKER. Under previous order of the House, the gentleman from Florida [Mr. SIKES] is recognized for 20 minutes.

Mr. SIKES. Mr. Speaker, I take great satisfaction in what I am about to say. For I am speaking of an important group which now enjoys the accusation of being a pressure group.

Personally, I have absolutely no objection to bankers being for bankers, or manufacturers for manufacturers, or Frenchmen for Frenchmen.

But I am a little bothered when persons seeking their betterment in a period of neglect are called a pressure group.

I am bothered when veterans and disabled veterans especially, are given the heave-ho because legislation that affects their very self-respect, their living, their day-to-day existence, excites their own interest and their own quite normal reaction.

It seems that the way for veterans not to be a pressure group is to forget their role in society and the service they gave to our country.

If they must have some civic interest, some participatory feeling in the Government for whose survival they gave a part of their body or mind, or proved themselves willing to give life itself, then they are asked to forget their status as servicemen and as veterans.

It is because of things like this that I am a little tired of hearing the Disabled American Veterans and other veterans' groups called by names that are intended to impugn their motives. I am tired of hearing veterans' organizations called promoters of privileged legislation.

I want the needs of veterans considered on the basis of merit under a concept of government that seeks to "form a more perfect union, establish justice, insure domestic tranquility, provide for the common defense, promote the general welfare, and secure the blessing of liberty to ourselves and our posterity."

For me, the disabled veteran is not to be treated like some nondescript mendicant once removed from the poorhouse.

For me, the veteran has earned, at the very least, the Nation's respect, its consideration, in some instances a tangible type of gratitude which should be expressed not merely in language, but in material terms tailored to the Nation's capacity and the needs and requirements of the cases in point.

Veterans' legislation is being confronted by an increasing wall of opposition.

If you examine this opposition you find that some of it is objective, some of it is philosophically prejudiced, and much of it is downright hostile.

The luster of heroism has worn off.

We are more than a decade removed from World War II. World War I is cataloged in the memory of some with the French and Indian Wars and, I suppose, the War of the Roses. Some, no doubt, already are asking: World War I? When was that?

If there are those who cannot remember the war, then how are they to be expected to remember its heroes, the rank and file who did the bloody, dirty work of battle?

All the blood, the anguish, the suffering of Korea seem now to have been allocated a small space somewhere in the history of foreign policy. To some it still is a police action.

We are in that phase of remembrance where—

The tumult and the shouting dies;

The Captains and the Kings depart;

Still stands Thine ancient sacrifice,

An humble and a contrite heart

The essence of this new wall of opposition gets its fullest and its most potent expression in the more or less recently released Report of the President's Commission on Veterans' Pensions.

It may be that some of its findings have merit but I have thus far been unable to find many that do. I find myself hostile to its hostility even if—here and there—a sound policy could be assumed to be enunciated. The report is called, Findings and Recommendations—Veterans' Benefits in the United States and is directed to the President by the President's Commission on Veterans' Pensions. A 25-page summary of the

415-page report begins like a slap in the veteran's face.

It puts its whole case in one sentence this way:

Military service in time of war or peace—

I am quoting—

should be treated as discharging an obligation of citizenship and not of itself as a basis for future Government benefits.

With the first hammer blow the veteran is put on the defensive.

The cruel presumption of so hostile an approach seems to be that he joined the military service whether in war or in peace, in order to get future Government benefits.

I do not recall anybody handing out copies of the prospective GI bill of rights at the recruiting station—or promising pensions. I can remember the line: "There's a war on, brother—and you're in it."

The report recommends that—

Special veterans' benefits should be provided only for the significant requirements of veterans that arise directly out of their military service.

It goes on to say that—

The ordinary or non-service-connected needs which veterans have in common with all citizens should be met wherever possible through the general welfare programs under which veterans are covered along with other people. Veterans' non-service-connected benefits should be minimized and gradually eliminated.

Now there you have the basic philosophy of the President's Commission on Veterans' Pensions.

The key words here are: "minimized" and "gradually eliminated."

The plan is to shunt as many veterans as possible into the mass assembly yard they now call social security.

That means a veteran gets no recognition as a veteran.

Of course, I favor social security and have all of my political life.

It is my position, however, that social security and veterans' pensions are two wholly disparate, dissimilar, and basically unrelated areas of legislation.

Joining them together is legislatively unrealistic and conducive to a confusion of meanings.

To put veterans' pensions within the category of social security is to ignore the significance of the word "veteran."

The sponsors of this idea would herd the veteran with a nameless mass.

The purpose of the proposed recommendations is to deprive him of his veteran status in the context of future legislation and in any event to reduce and to gradually eliminate whatever now exists.

Let me put in here that I have the highest respect for the Chairman of the Commission—Omar N. Bradley—as a soldier and indeed, for its members. I do find it difficult to call this report a document on veterans' benefits. I find it rather a document against veterans' benefits.

Notwithstanding my opposition to the general tone of the report, I shall study it carefully for any desirable legislation that may be predicated on some of its findings. For example, I not only refuse

to quarrel with one of the Commission's recommendations, but even wholeheartedly endorse it. That is the recommendation which reads:

Service-connected benefits should be accorded the highest priority among the special programs for veterans. Service-connected compensation and related benefits should be liberal, even generous.

Of course, to have said anything less than that about service-connected disabilities would have wrecked the report in toto. Nevertheless, I am grateful that the President's Commission saw fit to make its statement so vigorous and so pronounced and so unequivocal. Nor can I find ground to quarrel with the recommendations, for instance that—

The Government in general, and especially the Veterans' Administration, should develop and maintain a rounded research program so that basic comparative information on the economic and social conditions of veterans and non-veterans will always be available to the President, and to the Congress, and to the public.

Of course, decisions should be predicated upon information, upon knowledge and upon facts.

But may I add that decisions should also be based upon something deeply significant in the appraisal of the veteran's situation. That deeply significant factor may be compressed in the simple but meaningful phrase: Moral obligation.

If we lose sight of that principle, we set in motion a chain of conduct, legislative and executive and possibly judicial, which may very well undermine the heart of democratic government. The veteran is someone who has done a very special service and in proportion to the quality and the sacrifice of that service he should be recognized. To fail to so recognize him is to renege on a moral obligation. Moreover, maybe they know, but I am sure I do not know, just what is the narrow sense in which the term "service connected" is used. There are disabilities due to war service which may not show up for a decade or even more, and even when they do show up there may be no conclusive, no positive, no absolute evidence for attributing them to war. Yet in ever so many instances these disabilities are indeed due to war service and that fact may very well be safely inferred. A whole range of nervous ailments have their roots in the turmoil and the distress of combat and even non-combat service under the strain of over-all violence. Men may live with these ailments for a lifetime and remain permanently handicapped under them. Yet they will not manifest any obvious signs of disorder calling for such drastic attention as would bring the cases within the purview of the Veterans' Administration. What I say is not critical of the Veterans' Administration.

Moral obligation is a precious phrase. And moral obligation, I like to think, invests much of the pending current veterans' legislation in the Congress.

There is, for example, the bill—it has passed the House—that calls for the simplification and codification into a single act of all laws governing payment of compensation for service-connected disability or death. Another bill that also

passed the House revises and simplifies laws providing for benefit payments to survivors of servicemen and veterans. Still another bill provides for medical care of dependents of members of the Armed Forces. These bills have not yet become law. They are pending in the Senate. But there is Public Law 490 which increases the pay of 6-month trainees under the Reserve Act from \$50 to \$78 per month. Another bill not yet law extends to June 30, 1956, free postal privileges for members of the Armed Forces in specified areas abroad. The Congress passed Public Law 497 which increases the pay of medical and dental officers in the armed services and the Public Health Service. The House passed—and action is pending in the Senate—on a bill providing educational assistance to children of certain veterans who died in World War II or Korea. Still another bill in the early stages of passage redefines the eligibility requirement of widows for pension or compensation. The object is to make the eligibility uniform for widows of veterans of World War I and II and Korea. The House has under consideration a bill that would increase by \$600 the income limitations applicable to the widow or child of a deceased veteran for pension purposes during the year in which death occurs. There is also pending the bill which permits pension payments to veterans hospitalized with tuberculosis less than 6 months.

The legislation I have discussed covers only the second session of the 84th Congress. But as you can see moral obligation is not a precept lost on the Congress of the United States. And I am certain that any proposed recommendations that aim to blind the Congress or the country to its sense of moral obligation are destined for failure.

Veterans have a fight on their hands and they are not given to retreat. They are fighting for the right to place the veteran status of veterans in its true focus. They are fighting to check the antagonists of veterans' programs who seek to win their aims by first placing the veterans of the United States in an unfavorable light in public opinion. We must not let them be humbled, belittled, offended, or put in the position of being ashamed to ask for the respect and the recognition due America's veterans. They are the men and women who have taken years out of their lives, lost possible promotion in private life, profits and income, men and women who have sacrificed a part of their health and well-being for the survival of this country and the free world. It is up to veterans to fight back—and hard—at the concept that would paint the war veterans as a mendicant group standing, hat in hand, outside the halls of Congress begging for a handout.

Let us take heart in the fact there is strength in numbers and greater strength in the justice and rightness of the cause of veterans. It is true that veterans' expenditures are now at the rate of \$4.5 billion a year. But I have been talking about putting the veteran situation in focus. And I find that the President has been asking for \$4.9 billion

in foreign aid. Now, one may be for or against foreign aid. But regardless of one's stand on that issue, I incline to the view that whether there is rice in Burma, however important this may be, is secondary to my consideration, as a Congressman for the status of the veteran. It is the veteran who made it possible for us to consider Burma and Afghanistan, and Ceylon, and Pakistan in our foreign-aid program or to have any foreign-aid program at all.

My faith rests deep in the United States and this Nation, I am confident, will not let its veterans down.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to Mr. SAYLOR (at the request of Mr. GAVIN), for 2 days, on account of illness.

EXTENSIONS OF REMARKS

By unanimous consent, permission to extend remarks in the RECORD, or to revise and extend remarks, was granted to:

Mr. TUMULTY and to include extraneous matter.

Mr. MACHROWICZ and to include extraneous matter.

Mr. FASCELL and to include extraneous matter.

Mr. JACKSON (at the request of Mr. SMITH of Wisconsin) and to include extraneous matter.

Mr. CUNNINGHAM and to include an address by the Honorable FRED SCHWENGLER, of Iowa, on Flag Day.

Mr. WESTLAND and to include an editorial.

Mr. MILLER of Nebraska.

Mr. KEOGH and include extraneous matter.

Mr. ADDONIZIO.

Mr. POWELL (at the request of Mr. ROOSEVELT) and include extraneous matter.

SENATE BILLS AND JOINT RESOLUTION REFERRED

Bills and a joint resolution of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 2572. An act to authorize the interchange of lands between the Department of Agriculture and military departments of the Department of Defense, and for other purposes; to the Committee on Agriculture.

S. 3363. An act for the relief of Miroslav Slovak; to the Committee on Interstate and Foreign Commerce.

S. 3365. An act to amend section 410 of the Interstate Commerce Act, as amended, to change the requirements for obtaining a freight-forwarder permit; to the Committee on Interstate and Foreign Commerce.

S. 3879. An act to supplement the antitrust laws of the United States in order to balance the power now heavily weighted in favor of automobile manufacturers by enabling franchise automobile dealers to bring suit in the district courts of the United States to recover compensatory damages sustained by reason of the failure of automobile manufacturers to act in good faith in complying with the terms of franchises or in terminating or not renewing franchises with their dealers; to the Committee on the Judiciary.

ENROLLED BILLS AND JOINT RESOLUTIONS SIGNED

Mr. BURLERSON, from the Committee on House Administration, reported that that committee had examined and found truly enrolled bills and joint resolutions of the House of the following titles, which were thereupon signed by the Speaker:

H. R. 2106. An act to provide that the enlistment contracts or periods of obligated service of members of the Armed Forces shall not terminate by reason of appointment as cadets or midshipmen at the Military, Naval, Air Force, or Coast Guard Academies, or as midshipmen in the Naval Reserve, and for other purposes;

H. R. 5382. An act for the relief of W. R. Zanes & Company of Louisiana, Inc.;

H. R. 10060. An act to amend the District of Columbia Police and Firemen's Salary Act of 1953, as amended;

H. J. Res. 533. Joint resolution to facilitate the admission into the United States of certain aliens;

H. J. Res. 534. Joint resolution to waive certain provisions of the Immigration and Nationality Act in behalf of certain aliens;

H. J. Res. 535. Joint resolution for the relief of certain aliens;

H. J. Res. 553. Joint resolution waiving certain subsections of section 212 (a) of the Immigration and Nationality Act in behalf of certain aliens, and for other purposes;

H. J. Res. 554. Joint resolution for the relief of certain aliens;

H. J. Res. 555. Joint resolution to facilitate the admission into the United States of certain aliens;

H. J. Res. 566. Joint resolution to waive certain provisions of section 212 (a) of the Immigration and Nationality Act in behalf of certain aliens; and

H. J. Res. 591. Joint resolution to facilitate the admission into the United States of certain aliens.

SENATE ENROLLED BILLS SIGNED

The SPEAKER announced his signature to enrolled bills of the Senate of the following titles:

S. 417. An act for the relief of Pearl O. Sellaz;

S. 530. An act for the relief of the Sacred Heart Hospital;

S. 1148. An act to further amend section 20 of the Trading With the Enemy Act, relating to fees of agents, attorneys, and representatives;

S. 1414. An act for the relief of James Edward Robinson;

S. 1749. An act adopting and authorizing the improvement of Rockland Harbor, Maine;

S. 2016. An act to confer jurisdiction upon the Court of Claims to hear, determine, and render judgment upon the claim of Lawrence F. Kramer;

S. 2152. An act for the relief of the estate of Susie Lee Spencer;

S. 2202. An act to authorize the Secretary of the Interior to enter into an additional contract with the Yuma County Water Users' Association with respect to payment of construction charges on the valley division, Yuma reclamation project, Arizona, and for other purposes;

S. 2582. An act to confer jurisdiction upon the Court of Claims to hear, determine, and render judgment upon the claim of William E. Stone for disability retirement as a Reserve officer or Army of the United States officer under the provisions of the act of April 3, 1939, as amended;

S. 3265. An act to amend title II of the Merchant Marine Act, 1936, as amended, to

provide for filing vessel utilization and performance reports by operators of vessels in the foreign commerce of the United States;

S. 3472. An act for the relief of Patricia A. Pembroke;

S. 3581. An act to increase the retired pay of certain members of the former Lighthouse Service;

S. 3778. An act to amend the act for the protection of walrus;

S. 3857. An act to clarify section 1103 (d) of title XI (Federal Ship Mortgage Insurance) of the Merchant Marine Act, 1936, as amended; and

S. 3945. An act for the relief of Walter C. Jordan and Elton W. Johnson.

BILLS AND JOINT RESOLUTIONS PRESENTED TO THE PRESIDENT

Mr. BURLERSON, from the Committee on House Administration, reported that that committee did on this day present to the President, for his approval, bills and joint resolutions of the House of the following titles:

H. R. 1410. An act for the relief of Giovanna Scano;

H. R. 2709. An act for the relief of the estate of Rene Well;

H. R. 3373. An act for the relief of Mrs. Zella K. Thissell;

H. R. 5382. An act for the relief of W. R. Zanes and Company of Louisiana, Inc.;

H. R. 5453. An act for the relief of the estate of Robert Bradford Bickerstaff;

H. R. 6143. An act to amend the Internal Revenue Codes of 1939 and 1954, and for other purposes;

H. R. 6742. An act for the relief of Rumiko Fujiki Kirkpatrick;

H. R. 6955. An act for the relief of Inna Hekker Grade;

H. R. 7373. An act for the relief of Eugene G. Aretz;

H. R. 8041. An act for the relief of Clyde R. Stevens;

H. R. 8867. An act for the relief of the estate of F. M. Bryson;

H. R. 9285. An act to amend section 14 (b) of the Federal Reserve Act, so as to extend for 2 additional years the authority of Federal Reserve banks to purchase United States obligations directly from the Treasury;

H. R. 11205. An act to confer jurisdiction upon the United States Court of Claims to hear, determine, and render judgment upon the claims of Roy Cowan and others arising by reason of the flooding of land in the vicinity of Lake Alice, N. Dak.;

H. J. Res. 591. Joint resolution to facilitate the admission into the United States of certain aliens;

H. J. Res. 609. Joint resolution for the relief of certain aliens.

ADJOURNMENT

Mr. ROOSEVELT. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 3 o'clock and 32 minutes p. m.) the House adjourned until tomorrow, Thursday, June 21, 1956, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1986. A letter from the Assistant Secretary of the Interior, transmitting a report and findings on the McMillan Delta project, Pecos River Basin, N. Mex., pursuant to the provisions of section 9 (a) of the Reclama-

tion Project Act of 1939 (53 Stat. 1187) (H. Doc. No. 429); to the Committee on Interior and Insular Affairs and ordered to be printed with illustrations.

1987. A letter from the Assistant Secretary of the Interior, transmitting a proposed concession contract with the Hot Springs National Park Physical Medicine Center, Inc., which when executed by the Director of the National Park Service, will authorize the concessioner to operate the physical medicine center and to obtain hot waters therefor, in Hot Springs National Park, Ark., for a period of 20 years from January 1, 1953, pursuant to the act of July 31, 1953 (67 Stat. 271); to the Committee on Interior and Insular Affairs.

1988. A letter from the Chairman, Commission on Government Security, relative to presenting a draft of proposed legislation which requests the Congress to extend the time for filing the final report of the Commission from December 31, 1956, as presently fixed by Public Law 304, 84th Congress, to June 30, 1957; to the Committee on the Judiciary.

1989. A letter from the Commissioner, Immigration and Naturalization Service, United States Department of Justice, transmitting additional information relative to the case of Jacob Passic, A-4371303, involving suspension of deportation, and requesting that it be withdrawn from those before the Congress and returned to the jurisdiction of this Service; to the Committee on the Judiciary.

1990. A letter from the Commissioner, Immigration and Naturalization Service, United States Department of Justice, transmitting additional information relative to the case of Urania Antippas, A-6334252, (0300-173918), involving suspension of deportation, and requesting that it be withdrawn from those before the Congress and returned to the jurisdiction of this Service; to the Committee on the Judiciary.

1991. A letter from the Commissioner, Immigration and Naturalization Service, United States Department of Justice, transmitting copies of orders suspending deportation as well as a list of the persons involved, pursuant to section 244 (a) (1) of the Immigration and Nationality Act of 1952 (8 U. S. C. 1254 (a) (1)); to the Committee on the Judiciary.

1992. A letter from the Commissioner, Immigration and Naturalization Service, United States Department of Justice, transmitting copies of orders suspending deportation as well as a list of the persons involved, pursuant to section 244 (a) (5) of the Immigration and Nationality Act of 1952 (8 U. S. C. 1254 (a) (5)); to the Committee on the Judiciary.

1993. A letter from the Assistant Secretary of the Navy (Material), transmitting a draft of proposed legislation entitled "a bill to authorize the Secretary of the Navy to surrender and convey to the city of New York certain rights of access in and to Marshall, John, and Little Streets adjacent to the New York Naval Shipyard, Brooklyn, N. Y., and for other purposes"; to the Committee on Armed Services.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. LONG: Joint Committee on the Disposition of Executive Papers. House Report No. 2397. Report on the disposition of certain papers of sundry executive departments. Ordered to be printed.

Mr. WILLIAMS of Mississippi: Committee on Interstate and Foreign Commerce. H. R.

8000. A bill to amend section 610 of the Civil Aeronautics Act of 1938 to prohibit the serving of alcoholic beverages to airline passengers while in flight; with amendment (Rept. No. 2399). Referred to the House Calendar.

Mr. KILDAY: Committee on Armed Services. H. R. 10663. A bill to amend the Dependents Assistance Act of 1950, as amended, so as to provide punishment for fraudulent acceptance of benefits thereunder; without amendment (Rept. No. 2400). Referred to the House Calendar.

Mr. KILDAY: Committee on Armed Services. S. 3307. An act to amend section 9 (d) of the Universal Military Training and Service Act to authorize jurisdiction in the Federal courts in certain reemployment cases; without amendment (Rept. No. 2401). Referred to the Committee of the Whole House on the State of the Union.

Mr. KILDAY: Committee on Armed Services. H. R. 4296. A bill to provide that certain professors at West Point shall not be deprived of certain retirement benefits; without amendment (Rept. No. 2402). Referred to the Committee of the Whole House on the State of the Union.

Mr. KILDAY: Committee on Armed Services. H. R. 6729. A bill to provide that the Secretary of the Navy shall appoint certain former members of the Navy and Marine Corps to the Fleet Reserve or Fleet Marine Corps Reserve, as may be appropriate, and thereafter transfer such members to the appropriate retired list; with amendment (Rept. No. 2403). Referred to the Committee of the Whole House on the State of the Union.

Mr. KILDAY: Committee on Armed Services. H. R. 9246. A bill to amend the Armed Forces Leave Act of 1946 by authorizing payments to survivors of former members for unused leave credit; with amendment (Rept. No. 2404). Referred to the Committee of the Whole House on the State of the Union.

Mr. KILDAY: Committee on Armed Services. H. R. 9892. A bill to amend the provisions of the Revised Statutes relating to physical examinations preliminary to promotion of officers of the naval service; with amendment (Rept. No. 2405). Referred to the Committee of the Whole House on the State of the Union.

Mr. BLATNICK: Committee on Public Works. S. 2210. An act to modify the project for the St. Marys River, Mich., South Canal, in order to repeal the authorization for the alteration of the International Bridge as part of such project, and to authorize the Secretary of the Army to accomplish such alteration; without amendment (Rept. No. 2406). Referred to the Committee of the Whole House on the State of the Union.

Mr. COOPER: Committee on Ways and Means. H. R. 11740. A bill to provide for a temporary increase in the public debt limit; without amendment (Rept. No. 2407). Referred to the Committee of the Whole House on the State of the Union.

Mr. DAWSON of Illinois: Committee on Government Operations. Twentieth intermediate report on the Al Sarena case. (Rept. No. 2408). Referred to the Committee of the Whole House on the State of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. KILDAY: Committee on Armed Services. H. R. 10720. A bill for the relief of Dorothy E. Green and Thelma L. Alley; without amendment (Rept. No. 2398). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ASHLEY:
H. R. 11860. A bill to alleviate conditions of excessive unemployment and underemployment in depressed industrial and rural areas; to the Committee on Banking and Currency.

By Mr. AUCHINCLOSS:
H. R. 11861. A bill to amend the act entitled "An act authorizing Federal participation in the cost of protecting the shores of publicly owned property," approved August 13, 1946; to the Committee on Public Works.

By Mr. BROYHILL:
H. R. 11862. A bill relating to the retirement of officers and members of the Metropolitan Police force, the Fire Department of the District of Columbia, the United States Park Police force, and the White House Police force, and the relief payable to their widows, children, and orphans; to the Committee on the District of Columbia.

By Mr. FASCELL:
H. R. 11863. A bill to amend the Federal Property and Administrative Services Act of 1949 to permit the donation and other disposal of property to State welfare agencies and nonprofit welfare institutions; to the Committee on Government Operations.

H. R. 11864. A bill relating to the computation of the retirement income credit in the case of joint income-tax returns; to the Committee on Ways and Means.

By Mr. HAYWORTH:
H. R. 11865. A bill to amend the Employment Act of 1946 to provide for studies of the social and economic effects of automation; to the Committee on Government Operations.

By Mr. HERLONG:
H. R. 11866. A bill relating to the reporting for income-tax purposes of dues and fees received by nonprofit service corporations; to the Committee on Ways and Means.

By Mr. HOLMES:
H. R. 11867. A bill to facilitate the administration and development of the Whiteman National Monument, in the State of Washington, by authorizing the acquisition of additional land for the monument, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. JONAS:
H. R. 11868. A bill to exempt certain vehicles used for religious purposes from Federal excise tax; to the Committee on Ways and Means.

By Mr. KING of California:
H. R. 11869. A bill to provide that any United States passport hereafter issued to a citizen shall not show his place of birth or contain any other information which would indicate whether he is a citizen by birth or by naturalization; to the Committee on Foreign Affairs.

By Mr. McCARTHY:
H. R. 11870. A bill to amend paragraphs 1773 and 1774 of the Tariff Act of 1930 to permit free importation of certain religious articles by additional organizations; to the Committee on Ways and Means.

By Mr. MURRAY of Tennessee (by request):

H. R. 11871. A bill to provide a uniform premium pay system for Federal employees engaged in inspectional services, to authorize a uniform system of fees and charges for such services, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. SIMPSON of Pennsylvania:
H. R. 11872. A bill to amend section 270 (b) of the Internal Revenue Code of 1954; to the Committee on Ways and Means.

By Mr. THOMPSON of Texas:
H. R. 11873. A bill to amend the Watershed Protection and Flood Prevention Act

so as to eliminate delay in the start of projects; to the Committee on Agriculture.

By Mr. THOMPSON of Louisiana:
H. R. 11874. A bill authorizing a comprehensive project for control and progressive eradication of salt-marsh and other injurious mosquitoes in the coastal area of southwest Louisiana; to the Committee on Public Works.

By Mr. UDALL:
H. R. 11875. A bill to encourage the discovery, development, and production of manganese-bearing ores and concentrates in the United States, its Territories and possessions, and for other purposes; to the Committee on Interior and Insular Affairs.

H. R. 11876. A bill to determine the rights and interests of the Navaho Tribe, Hopi Tribe, and individual Indians to the area set aside by Executive order of December 6, 1882, and for other purposes; to the Committee on Interior and Insular Affairs.

H. R. 11877. A bill to amend the act of April 19, 1950 (64 Stat. 44, 25 U. S. C. 631 et seq.) so as to permit the Navaho Indian Tribe to lease tribal lands for residential and other purposes for a term of not to exceed 99 years; to the Committee on Interior and Insular Affairs.

By Mr. VINSON:
H. R. 11878. A bill to extend the date upon which the Rubber Disposal Commission will terminate; to the Committee on Armed Services.

By Mr. WHITTEN:
H. R. 11879. A bill to provide for the reconveyance of all mineral interests in lands acquired by the United States for certain reservoir projects to former owners thereof, and for other purposes; to the Committee on Public Works.

By Mr. WAINWRIGHT:
H. J. Res. 652. Joint resolution to provide that the Secretary of the Interior shall accept that real property in New York, N. Y., known as the General Grant Monument and that it shall become the General Grant National Monument; to the Committee on Interior and Insular Affairs.

By Mr. JENKINS:
H. Con. Res. 255. Concurrent resolution authorizing the President of the United States to designate the month of February of each year as American History Month; to the Committee on the Judiciary.

By Mr. SHELLEY:
H. Res. 550. Resolution creating a Special Committee on Foreign Aid Programs; to the Committee on Rules.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ADDONIZIO:
H. R. 11880. A bill for the relief of Pietro Rosa; to the Committee on the Judiciary.

By Mr. ANFUSO:
H. R. 11881. A bill for the relief of Vito Leggio; to the Committee on the Judiciary.

By Mr. DELANEY:
H. R. 11882. A bill for the relief of Maria Schager; to the Committee on the Judiciary.

By Mr. HOLIFIELD:
H. R. 11883. A bill for the relief of Jose Vargas-Mercado; to the Committee on the Judiciary.

By Mr. KING of California:
H. R. 11884. A bill for the relief of Artemio N. Jangaon; to the Committee on the Judiciary.

By Mr. KLEIN:
H. R. 11885. A bill for the relief of Rajendra Paul; to the Committee on the Judiciary.

By Mr. SCUDDER:

H. R. 11886. A bill for the relief of Mary Carmelita Ottolina; to the Committee on the Judiciary.

By Mr. WILSON of Indiana:

H. R. 11887. A bill for the relief of the estate of Leatha Horn; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

1150. By Mr. HINSHAW: Petition of Mark J. Hanna, Pasadena, Calif., and 19 others

residents of that area urging immediate enactment of a separate and liberal pension program for veterans of World War I and their widows and orphans; to the Committee on Veterans Affairs.

1151. By Mr. JENKINS: Petition of 26 citizens of Athens County, Ohio, addressed to our Senator and Representatives in Congress, urging passage of legislation to prohibit the transportation of alcoholic beverage advertising in interstate commerce, and its broadcasting over the air, a practice which nullifies the rights of the States under the 21st amendment to control the sale of such beverages; to the Committee on Interstate and Foreign Commerce.

1152. By the SPEAKER: Petition of Chosuke Ie, chairman, Committee for Expediting Settlement of Okinawan Land Problem, Tokyo, Tokyo, Japan, relative to resolutions passed by the Japanese House of Representatives and the Legislature of the Ryukyus on the restoration of Japanese administrative authority over Okinawa and on the Okinawan land requisitioned for military purposes; to the Committee on Foreign Affairs.

1153. Also, petition of the executive director, National Society of Professional Engineers, Washington, D. C., urging enactment of appropriate legislation in the public interest on revisions in navigational clearances requirements for highways and railroad bridges; to the Committee on Public Works.

EXTENSIONS OF REMARKS

Ghost Writers

EXTENSION OF REMARKS

OF

HON. DONALD L. JACKSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 20, 1956

Mr. JACKSON. Mr. Speaker, in this day and time it seems to be commonplace to use ghost writers, but it seems rather unusual for two people to use the same ghost writer. In the Appendix of the daily CONGRESSIONAL RECORD for May 22, is an article allegedly written by Mr. Clyde T. Ellis, of the Rural Electric Cooperative Association. In the same issue of the CONGRESSIONAL RECORD is an article allegedly written by Mr. Claude R. Wickard, former Secretary of Agriculture.

The article signed by Mr. Ellis is 6 paragraphs in length. The last 4 paragraphs are identical, word for word, with the last 4 paragraphs of the article by Mr. Wickard.

These paragraphs warn that there are "certain interests who would like to eliminate entirely the REA cooperatives." The next sentence in these identical paragraphs mentions the Hoover report apparently attempting to convey the idea that the Hoover report recommends elimination of REA. Of course, this is not true and was evidently recognized as such by the writer since he did not say the Hoover report would destroy REA but merely tried to convey that thought by inference.

The Hoover Commission recommended that the Rural Electrification Administration be reorganized on a self-supporting basis—interest and fees should be sufficient to cover the cost of money and administrative expenses—that it secure its financing from private sources, and that as reorganized, it be made subject to the Government Corporation Control Act.

Many of the people in my district seem to agree that this is a good idea.

From this point the articles went on to make a plea for public-power development. Could it be that the public-power advocates are so hard up for support for their cause, even when not forthrightly presented, that they have to steal each others material without crediting the real writer?

Thailand Celebrates 24th Anniversary of National Day, June 24

EXTENSION OF REMARKS

OF

HON. ADAM C. POWELL, JR.

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 20, 1956

Mr. POWELL. Mr. Speaker, I wish to send greetings to the people of Thailand, His Majesty Phumiphon Adundet, and His Excellency Pote Sarasin, Ambassador of Thailand, on the occasion of the celebration of the 24th anniversary of National Day, June 24, 1956.

Thailand enjoys the proud distinction of being the only nation in Southeast Asia, and one of the few on the Continent of Asia, which has been independent throughout its history. Although from the beginning of her history Thailand had been governed by a progressive monarchy, the people threw off the yoke of absolutism on June 24, 1932, and proclaimed a constitutional monarchy with the hopes that the new government might better meet the needs of the times.

She has known an area of unprecedented development, without regard to her internal and external security. The leaders of the nation have as their primary aim the development of the resources of the country in order to attain a better standard of living for the benefit of all its people. The Thai people along with the rest of the free world know that a free and prosperous people is communism's most formidable foe. Every well-founded and happy home is a fortress against tyranny, while poverty and wretchedness are its breeding ground.

It is Thai policy to maintain friendly relations with other nations. In amplification of this policy she has taken her place with the free nations in United Nations sessions, and has benefited greatly from membership. Thailand has maintained the best of friendly relations with the United States. It has welcomed American assistance in improving its economic well-being and keeping its political freedom.

Thailand's strategic position, its tradition as a free nation in Southeast Asia, and its opposition to communism give

the country an important place in international affairs. It is an example and inspiration to other countries in the region who are engaged in the conflict with totalitarian aggression. As a bulwark against communism, the influence of the Thai may be beyond measure.

Again I salute Thailand and pray for continued mutual loyalty and respect between our countries and a continued strong purpose toward our peaceful aims.

Vice Admiral Francis C. Denebrink, USN

EXTENSION OF REMARKS

OF

HON. EUGENE J. KEOGH

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 20, 1956

Mr. KEOGH. Mr. Speaker, after a long and honorable career in the United States Navy, Vice Adm. Francis C. Denebrink, USN, is retiring to inactive service.

At the beginning of World War I in 1917, Admiral Denebrink received his commission as a youthful ensign in the Navy. His service has spanned two world wars and the Korean conflict, and reached its zenith upon his promotion to the grade of vice admiral in 1952. He was one of the capable officers chosen to attend the Naval War College course in naval warfare. His excellent war service was recognized when he had conferred upon him the coveted Legion of Merit.

During the last years of his active service, Admiral Denebrink has been the able Commandant of the Military Sea Transportation Service, the organization that has done such a splendid job in transporting our Armed Forces across the seas of the world.

Upon his retirement from active service and upon his birthday, which he will celebrate tomorrow, Admiral Denebrink is to be congratulated by his many friends in the armed services and in civilian life. It is their sincere hope that he will have many years during which he may enjoy the fruits of his excellent service.